RAND WEST CITY LOCAL MUNICIPALITY

2018/19 MEDIUM TERM REVENUE AND EXPENDITURE

Budget Document

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Abbreviations and Acronyms

AMR	Automated Meter Reading
B2B	Back to Basics Programme
BSC	Budget Steering Committee
CBD	Central Business District
CFO	Chief Financial Officer
CPI	Consumer Price Index
DBSA	Development Bank of South Africa
DoRA	Division of Revenue Act
DWS	Department of Water and Sanitation
EE	Employment Equity
EEDSM	Energy Efficiency Demand Side Management
EM	Executive Mayor
FBS	Free Basic Services
GDP	Gross domestic product
GDS	Gauteng Growth and Development Strategy
GFS	Government Financial Statistics
GRAP	General Recognised Accounting Practice
HR	Human Resources
ICT	Information and Communications Technology
IDP	Integrated Development Strategy
kℓ	kilolitre
km	kilometre
KPA	Key Performance Area
KPI	Key Performance Indicator
kWh	kilowatt hour
LED	Local Economic Development
LGSETA	Local Government Skills Education Training Authority
MEC	Member of the Executive Committee
MFMA	Municipal Financial Management Act
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MMC	Member of Mayoral Committee
MPRA	Municipal Properties Rates Act
MSA	Municipal Systems Act
MTREF	Medium-Term Revenue and Expenditure Framework
NDP	National Development Plan
NERSA	National Electricity Regulator South Africa
NGO	Non-Governmental organisations
NKPIs	National Key Performance Indicators
OHS	Occupational Health and Safety
PBO	Public Benefit Organisations
PHC	Primary Health Care
PMS	Performance Management System
PPE	Property Plant and Equipment
PPP	Public Private Partnership
PTIS	Public Transport Infrastructure System
RWCLM	Rand West City Local Municipality
SALGA	South African Local Government Association
SAPS	South African Police Service

SDBIP	Service Delivery Budget Implementation Plan
SDGs	Sustainable Development Goals
SMMEs	Small Micro and Medium Enterprises
TG	Transformation Grant
TMR	Transformation Modernisation and Re-Industrialisation
WRDM	West Rand District Municipality

Part 1 – Annual Budget

1.1 Mayor's Report

This report will be delivered by the Executive Mayor in his budget speech to Council on 05 June 2018.

The 2018/19 MTREF submitted to Council for approval. Incidentally this budget process, in addition to the macro socio-economic and fiscal contexts framing the local government space and the country in general, also presented the municipality with significant challenges considering the major financial and institutional legacies. It is also required in the next financial year to firstly ensure that the municipality's revenue enhancement measures are aggressively rolled out especially in respect of the reduction of water and electricity distribution losses. Secondly, a wide-ranging cost containment strategy must be formulated and implemented to effectively manage the constant upward pressures on the municipality's expenditure budget.

Concerning the institutional legacies inherited by the municipality, it will be imperative that the financial implications of the new organisational structure of the RWCLM is prudently managed to ensure that employee related costs do not spiral out of control. In this regard, the proper costing of the new organisational structure, urgent finalisation of the placement and migration processes and the filling of critical vacancies must be carefully managed to ensure that the municipality's personnel expenditure levels remain within the benchmark set by the National Treasury (NT).

1.2 Council Resolutions

On 05 June 2018 the Council of Rand West City Local Municipality met in the Council Chambers
of the municipality in Randfontein to consider the Medium Term Revenue and Expenditure Framework (annual budget) of the municipality for the financial year 2018/19. The Council approved and adopted the following resolutions:

1. That in terms of section 24 of the Municipal Finance Management Act, 2003 (Act 56 of 2003), the annual budget of the municipality for the financial year 2018/19 and the multi-year appropriations as set out in the following tables as contained in the Budget Document

   are approved:

   1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) – Table 14 on page 38;
   1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) – Table 15 on page 41;
   1.3. Budgeted Financial Performance (revenue by source and expenditure by type) – Table 16 on page 42;
   1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source – Table 17 on page 42;
   1.5. Budgeted Financial Position – Table 18 on page 44;
   1.6. Budgeted Cash Flows – Table 19 on page 46;
   1.7. Cash backed reserves and accumulated surplus reconciliation – Table 20 on page 47; and
   1.8. Asset management – Table 21 on page 48.

2. That the Basic Service Delivery Measurement as set out in Table 20 on page 47 be noted.

3. That in terms of section 75A of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) the tariffs for property rates, electricity, the supply of water, sanitation services as well as refuse removal services as set out in the Municipal Tariff Book ***Annexure "2"*** be approved with effect from 1 July 2018.

4. That it be noted that the implementation of the proposed increase in electricity tariffs is subject to the approval of the National Electricity Regulator of South Africa (NERSA).

5. That in terms of section 75A of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) the tariffs for sundry services as set out in ***Annexure "2"*** be approved with effect from 1 July 2018.

6. That the following budget-related policies for the Rand West City Local Municipality be approved:
   6.1 Bad Debt Write Off policy **(Annexure "2")**
   6.2 Borrowing Policy **(Annexure "3")**
   6.3 Budget Policy **(Annexure "4")**
   6.4 Virement Policy **(Annexure "5")**
   6.5 Capital Planning project policy **(Annexure "6")**
   6.6 Cash and Investment Policy **(Annexure "7")**
   6.7 Contract Management Policy **(Annexure "8")**
   6.8 Credit Control and Debt Collection Policy **(Annexure "9")**
   6.9 Fixed Asset Management Policy **(Annexure "10")**
   6.10 Funding and Reserves Policy **(Annexure "11")**
   6.11 Indigent Support Policy **(Annexure "12")**
   6.12 Inventory Policy **(Annexure "13")**
   6.13 Insurance Policy **(Annexure "14")**
   6.14 Irregular, Unauthorised, Fruitless and Wasteful Expenditure Policy **(Annexure "15")**
   6.15 Long Term Financial Planning Policy **(Annexure "16")**
   6.16 Property Rates Policy **(Annexure "17)**
   6.17 Supply Chain Management Policy **(Annexure "18")**
   6.18 Tariff Policy **(Annexure "19")**
   6.19 Unclaimed deposit policy **(annexure "20")**

7. That the Municipal Manager in terms of section 24(3) of the Municipal Finance Management Act, 2003 (Act 56 of 2003), submit the approved budget of the municipality to the National Treasury and the Gauteng Provincial Treasury.

8. That cognizance be taken that all indigent households who have been registered, verified and approved with a threshold of R4,000-00 and less be accorded assistance as follows:-

   - 6 kl free water
   - 50 kWh free electricity
   - Full subsidy for property rates
   - Full subsidy for sanitation
   - Full subsidy for refuse removal

1.3 Executive Summary

The application of sound financial management principles for the compilation of the municipality's financial plan is essential and critical to ensure that the recently established Rand West City Local Municipality (RWCLM) achieves fiscal consolidation and financial viability over the medium term and that municipal services are provided sustainably, economically and equitably to all communities.

The municipality's strategic and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority areas and programmes to maintain sound financial stewardship. A critical review was also undertaken of expenditures on non-core items as part of the municipality's cost containment measures incorporated into the approved financial recovery plan.

The municipality has embarked on implementing a range of revenue enhancement measures to optimise the collection of levies and outstanding debt owed by consumers and ensure the systematic reduction in water and electricity distribution losses. Furthermore, the municipality will undertake various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

National Treasury's MFMA Circular No. 91 was used to guide the compilation of the 2018/19 MTREF. The CPI forecast for 2018/19 is estimated at 5.3% and 5.4% and 5.5% respectively for the two outer years. National Treasury (NT) urges municipalities to carefully consider the costs associated with service delivery while keeping in mind affordability and inflation when setting revenue raising measures. Furthermore, NT reminds municipalities that approving tariffs that are less than the cost associated with providing the services will negatively impact financial sustainability.

The main challenges experienced during the compilation of the 2018/19 MTREF can be summarised as follows:

- The ongoing challenges in the national and local economy in respect of low economic growth, unemployment, inequality and poverty;
- The post-merger issues impacting on institutional stability and financial viability of the newly established RWCLM;
- Aging and poorly maintained water, roads and electricity infrastructure;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and unfavourable cash position of the municipality;
- The increased cost of bulk water and electricity (due to tariff increases from Rand Water and Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable as this will impact negatively on the affordability capacity of consumers;
- Wage increases for municipal staff that continue to exceed consumer inflation, filling of critical vacancies, as well as the need to address the post-merger institutional transformation issues;
- Affordability of capital projects – as part of the 2018/19 MTREF budget preparation process the funding of the capital budget had to be constrained to intergovernmental grant allocations due to the current liquidity challenges experienced by the municipality;

The following budget principles and guidelines directly informed the compilation of the 2018/19
MTREF:

- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk water and electricity. In addition, tariffs need to remain or move towards being cost reflective, and should consider the need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budgets and have been gazetted as required by the annual Division of Revenue Act;

In view of the afore-mentioned, the following table is a consolidated overview of the proposed
2018/19 Medium-Term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2018/19 MTREF

R thousand	Adjusted Budget 2017/18	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Total Operating Revenue	(1 632 882)	(1 768 388)	(1 883 850)	(2 013 884)
Total Operating Expenditure	1 618 612	1 768 318	1 881 490	2 001 905
Surplus for the year	(14 270)	(70)	(2)	(12)
Total Capital Expenditure	261 510	324 866	260 471	262 578

Total operating revenue has grown by 8 per cent or R135 million for the 2018/19 financial year when compared to the 2018/19 Adjustments Budget. For the two outer years, operational revenue will increase by 6.4 and 9.1 per cent respectively, equating to a total revenue growth of R381 million over the MTREF when compared to the 2017/18 financial year.

Total operating expenditure for the 2018/19 financial year has been appropriated at R1.768 billion and translates into a budgeted surplus of R70 thousand. When compared to the 2017/18 Adjustments Budget, operating expenditure escalates by 8 per cent in the 2018/19 budget and by 6 per cent for each of the respective outer years of the annual MTREF. The operating surplus for the two outer years slightly increases to 2 thousand and then escalates sharply to R12 thousand.

The annual capital budget for 2018/2019 financial year will be R324.9 million for 2018/19 is 22 per cent more when compared to the 2017/18 Adjustment Budget. The capital programme decreases to R260,5 million in the 2019/20 financial year and R262,6 in 2020/21. The capital budget will be fully funded from capital grants over MTREF with an anticipated review of the capital funding mix to be undertaken during the preparation of the 2019/20 MTREF. This review of the funding sources will determine whether the municipality can create additional financing capacity for capital investments from borrowings and internally generated revenue over the next 3 to 5 years as part of the financial recovery plan

1.4 Operating Revenue Framework

For Rand West City to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough socio-economic times, strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with massive development backlogs and increasing levels of unemployment and poverty in our communities. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices must be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Anticipated growth in the municipal area and continued economic development;
- Efficient revenue management, which aims to ensure a 90 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services such as water, electricity, sanitation and refuse removal;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service.
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs; and
- The municipality's Indigent Policy and rendering of free basic services.

The following table is a summary of the 2018/19 MTREF (classified by main revenue source):

Table 2 Summary of revenue class Revenue verified by main revenue source

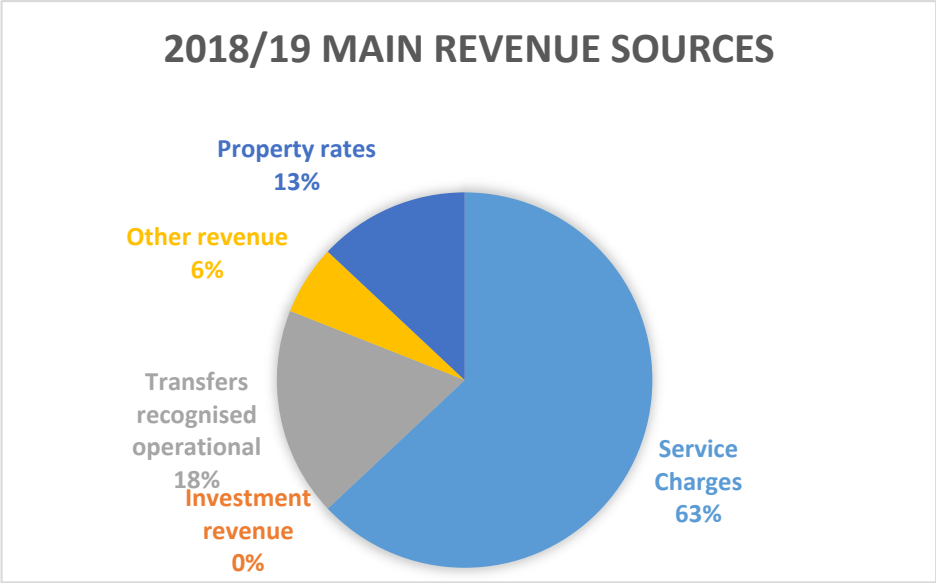
Description	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
R thousand	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source							
Property rates	192,778	220,403	220,403	220,403	234,508	249,517	265,486
Service charges - electricity revenue	580,906	628,570	628,570	628,570	671,564	714,544	760,746
Service charges - water revenue	286,403	286,403	286,403	286,403	321,344	341,910	363,792
Service charges - sanitation revenue	50,606	52,606	52,606	52,606	55,973	59,556	63,367
Service charges - refuse revenue	51,940	57,940	57,940	57,940	61,648	65,594	69,792
Service charges - other	2,850	2,850	2,850	2,850	3,135	3,335	3,549
Rental of facilities and equipment	3,626	2,583	2,583	2,583	2,841	3,023	3,216
Interest earned - external investments	3,193	3,193	3,193	3,193	3,398	3,615	3,847
Interest earned - outstanding debtors	18,509	24,509	24,509	24,509	26,077	27,746	29,522
Dividends received	50	50	50	50	53	57	60
Fines, penalties and forfeits	16,437	18,599	18,599	18,599	18,599	19,789	21,056
Licences and permits	86	86	86	86	91	97	103
Agency services	28,365	28,365	28,365	28,365	30,181	32,112	34,167
Transfers and subsidies	283,054	278,454	278,454	278,454	307,469	329,432	359,513
Other revenue	35,842	28,262	28,262	28,262	31,506	33,523	35,668
Gains on disposal of PPE						_	_
Total Revenue (excluding capital transfers and contributions)	1,554,645	1,632,872	1,632,872	1,632,872	1,768,388	1,883,850	2,013,884

In line with the formats prescribed by the Municipal Budget and Reporting Regulations (MBRR), capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the municipality. Rates and service charge revenues comprise slightly more than three quarters of the total revenue mix. In the 2018/19 financial year, revenue from rates and services charges totalled R1.25 billion or 75.5 per cent of total operating revenue. This increases to R1.248 billion, R1.348 billion and R1.434billion in the respective financial years of the MTREF.

Figure 1Main source of revenue for the 2018/2019 Financial Year

PIE GRAPH



Electricity is the largest source of revenue for the municipality, contributing R671.5 million or 38%per cent of total revenue in 2018/19 and escalates to R760.7 million in 2020/21. Revenue from water service charges in the 2018/19 financial year amounts to R321.4 million or 18.4 per cent of total revenue and increases to R363.7 million in 2020/21.

Property rates is the third largest own revenue source after water service charges totalling 13 per cent or R234.4 million rand and increases to R265.5 million by 2020/21.

Operating grants and transfers totals R307 million in the 2018/19 financial year and steadily increases to R359.5 million by 2020/21. Note that the year-on-year growth for the 2018/19 financial year is marginal at 7 per cent .The municipality's equitable share allocation is the largest operating grant to be received by the municipality over the medium term and increases to R274.9 in 2018/19 and escalates steadily to R332 million in 2020/21.

The figure below provides a breakdown of the 2018/19 operating transfers and grants.

Table 3 Operating Transfers and Grant Receipts
Tariff Setting

GT485 Rand West City - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds						
Description	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
R thousand	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Operating transfers and grants:						
Balance unspent at beginning of the year						
Current year receipts	139,901	230,277		284,685	310,032	339,513
Conditions met - transferred to revenue	139,901	230,277	–	284,685	310,032	339,513
Conditions still to be met - transferred to liabilities						
Provincial Government:						
Balance unspent at beginning of the year						
Current year receipts	16,733	17,033		18,784	19,400	20,000
Conditions met - transferred to revenue	16,733	17,033	–	18,784	19,400	20,000
Conditions still to be met - transferred to liabilities						
District Municipality:						
Balance unspent at beginning of the year						
Current year receipts						
Conditions met - transferred to revenue	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities						
Other grant providers:						
Balance unspent at beginning of the year						
Current year receipts				4,001	–	–
Conditions met - transferred to revenue	–	–	–	4,001	–	–
Conditions still to be met - transferred to liabilities						
Total operating transfers and grants revenue	156,634	247,310	–	307,470	329,432	359,513
Total operating transfers and grants - CTBM	–	–	–	–	–	–
Capital transfers and grants:						
Balance unspent at beginning of the year						
Current year receipts				302,594	255,471	257,580
Conditions met - transferred to revenue	–	–	–	302,594	255,471	257,580
Conditions still to be met - transferred to liabilities						
Provincial Government:						
Balance unspent at beginning of the year						
Current year receipts				3,000	3,000	3,000
Conditions met - transferred to revenue	–	–	–	3,000	3,000	3,000
Conditions still to be met - transferred to liabilities						
District Municipality:						
Balance unspent at beginning of the year						
Current year receipts						
Conditions met - transferred to revenue	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities						
Other grant providers:						
Balance unspent at beginning of the year				–	–	–
Current year receipts						
Conditions met - transferred to revenue	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities						
Total capital transfers and grants revenue	–	–	–	305,594	258,471	260,580
Total capital transfers and grants - CTBM	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE	156,634	247,310	–	613,064	587,903	620,093
TOTAL TRANSFERS AND GRANTS - CTBM	–	–	–	–	–	–

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised input costs, tariff structures in the two disestablished municipalities and the affordability of services were taken into account to ensure the financial sustainability of the municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all

increases in excess of the 6.4 per cent upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increase of Eskom is well below inflation whilst the Rand Water bulk tariffs are far above the mentioned inflation target. Given that these tariff increases are determined by external agencies, the impact they have on the municipality's trading services' tariffs are largely outside the control of the municipality. Discounting the impact of these price increases in lower consumer tariffs will erode the municipality's future financial position and viability.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, cement etc. The current challenge facing the municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the RWCLM has undertaken the tariff setting process relating to service charges as follows.

The table below highlights the proposed percentage increase in tariffs per main service category.

Table 4 Proposed tariff increase for the 2018/2019 Financial year

Revenue category	2018/2019 Average tariff increase
Electricity	6.84%
Water	12.2%
Sanitation	6.4%
Refuse	6.4%
Property rates	6.4%

The various tariff proposals are discussed per revenue stream below.

1.4.1 Property Rates

A municipality levies rates on all rate-able property in its area to fund the non-revenue generating services. The determination of tariffs takes into account the affordability as well as fairness of the rate ratios between categories of properties.

Property rates amount to R234,5 million in the 2018/19 budget year and increases to R265 million by 2020/21. In accordance with the Municipal Property Rates Act, 2004 (MPRA) and the RWCLM Property Rates Policy, the municipality has opted to differentiate between various categories of properties and property owners. Some categories of property and owners may be granted relief, exemption, rebate or reduction in the payment of property rates in accordance with the approved policy.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2018/19 financial year based on an average 6,4 per cent increase from 1 July 2018 is contained below:

Table 5 Comparison of proposed rates to be levied for the 2018/19 financial year

1. PROPERTY RATES TAX

Detailed Category	Approved 2017/2018	Proposed 2018/19	Exemption	Rebate
Agricultural property used for Farming	0.0032	0.0034	0	Can Apply
Commercial / Industrial	0.0300	0.0319	0	10%
Business	0.0300	0.0319	0	10%
Government / State owned	0.0300	0.0319	0	0
Mining	0.0300	0.0319	0	0
Multipurpose	0.0300	0.0319	0	25%
Public Service Infrastructure	0.0036	0.0038	0	0
Public Open Space	0.0036	0.0038	0	0
Parking	0.0126	0.0134	0	0
Recreation	0.0315	0.0335	0	25%
Detailed Category	**Approved 2017/2018**	**Proposed 2018/19**	**Exemption**	**Rebate**
Residential	0.0126	0.0134	50,000	10%
Sectional Title	0.0126	0.0134	50,000	10%
Vacant Stands	0.06	0.0638	0	0
Municipal Rateable	0.0126	0.0134	50,000	10%
Education	0.0315	0.0335	0	0
Religious (Public worship)	0.0000	0.0000	0	0

Private Open Space	0.0315	0.0335	0	25%
Institute	0.0315	0.0335	0	0
Private Owned PSI	0.0365	0.0388	0	25%
Township Title Property's	0.0126	0.0134	50,000	10%
Servitudes	0.0126	0.0134	50,000	10%
Public Benefit Organization	0.0031	0.0033	0	75%

1.4.2 Sale of Water and Impact of Tariff Increases

National Treasury is encouraging all municipalities to carefully review the level and structure of the water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

Rand Water has increased its bulk tariffs with 8 per cent from 1 July 2018, which increase significantly to the municipality's water input cost.

An average tariff increase of 12,2 per cent from 1 July 2018 for water is proposed. The proposed increase is based on input cost assumptions of 8 per cent increase in the cost of bulk water (Rand Water), the cost of other inputs increasing and a surplus generated on the water service. In addition 6 kℓ water per 30-day period will again be granted free of charge to all registered indigents.
A summary of the proposed tariffs for households (residential) and non-residential are as follows:

Tariff 6 Proposed Water Tariffs

Consumer type	Charge Type	Approved 2017/2018	Proposed 2018/2019
Residential / Flats	Basic Charge	32.01	35.92
	0-6KL(Non Indigents)	13.92	15.62
	7 to 10 kl	23.04	25.85
	11 to 20 kl	25.67	28.80
	21 to 30kl	26.08	29.26

	31KL AND MORE	28.04	31.46
Small Business	Basic charge	532.00	200.00
Business and Industries	Basic Charge	532.00	596.90
	0-100 KL	24.56	27.56
	101 to 199 KL	23.51	26.38
	200 and more	25.76	28.90
Schools, Churches and Welfare,	up to 200kl	20.80	23.34
Institution Bids	exceeding 200kl	20.80	23.34
Mines bulk	bulk water	14.15	15.88
Supply of unmetered water	Deemed Consumption : 30kl	204.77	229.75
Informal settlement	Kl	20.20	22.66
Vacant Stands	Per residential stand per month	161.66	181.38
	Per non-residential stand per month	229.02	256.96

1.4.3 Sale of Electricity and Impact of Tariff Increases

NERSA has announced the revised bulk electricity pricing structure. A 7.32 per cent increase in the Eskom bulk electricity tariff to municipalities will be effective from 1 July 2018.

Considering the Eskom increases, the increase in the consumer tariff is also proposed at 6.84 per cent from 1 July 2018. Registered indigents will be granted 50 kWh per 30-day period free of charge.

The following table shows the impact of the proposed increases in electricity tariffs on the electricity charges for domestic customers:

Table 7 Comparison between current electricity charges and increase (Domestic)

Domestic consumers with Conventional electricity meters (non-indigent households)

2. ELECTRICITY TARIFFS

Domestic consumers with **Conventional electricity** meters (non-indigent households).

Tariffs blocks Kwh	Approved (c/kwh) 2017/2018	Proposed (c/kwh) 2018/2019
Block 1 (0-50) kWh	120.00	128.21
Block 2 (51-350) kWh	120.00	128.21
Block 3 (351-600) kWh	157.00	167.74
Block 4 (600) kWh	185.00	197.65
Basic Charge (R/Month)	55.00	58.76

Domestic consumers with **prepaid electricity** meters (**non-indigent households**).

Tariffs blocks Kwh	Approved c/kWh 2017/2018	Proposed (c/kWh) 2018/2019
80Block 1 (0 – 50) kwh	113.08	120.81
Block 2 (51 – 350) kwh	113.08	120.81
Block 3 (351 - 600) kwh	154.86	165.45
Block 4 (600) kwh	183.38	195.92
Basic Charge(R/Month)	55.00	58.76

Domestic consumers with **prepaid electricity** meters (**Indigent households**)

Tariffs blocks kWh	Approved (c/kWh) 2017/2018	Proposed (c/kWh) 2018/2019
Block 1 (0-50) kWh	113.00	120.73
Block 2 (51-350) kWh	113.00	120.73
Block 3 (315-600) kWh	157.00	167.74
Block 4 (600) kWh	185.00	197.65
Basic Charge (R/Month)	55.00	58.76

Domestic consumers with **conventional electricity** meters (**Indigent households**)

Tariffs blocks kWh	Approved (c/kWh) 2017/2018	Proposed (c/kWh) 2018/2019
Block 1 (0-50) kWh	113.00	120.73
Block 2(51-350) kWh	113.00	120.73
Block 3 (351-600) kWh	157.00	167.73
Block 4 (600) kWh	185.00	197.65
Basic Charge (R/month)	55.00	58.76

Commercial Tariffs

Commercial prepaid Meter Tariffs	Approved 2017/2018	Proposed 2018/2019
Energy Charge: c/kWh	183.17	195.70
Basic Charge: c/kWh	155.00	165.60

Commercial Conventional Tariffs	Approved 2017/2018	Proposed 2018/2019
Energy charge: c/kWh	152.88	163.34
Basic Charge: c/kWh	378.54	404.43

Industrial < 1000kVA	Approved 2017/2018	Proposed 2018/2017
Energy Charge: c/kWh	76.62	81.86
Demand Charge: R/kVA	203.4	217.31
Basic/Fix charge: R/month	2,073.17	2,214.97

Industrial > 1000kVA	Approved 2017/2018	Proposed 2018/2017
Energy Charge: c/kWh	78.00	83.34
Demand Charge: R/kVA	207.15	221.32
Basic/Fix Charge:R/month	2,073.17	2,214.97

Time of use above 70kVA: Bulk TOU MV supply at Bulk substations	Approved 2017/2018	Proposed 2018/2019
Basic/Fix charge: R/kVA	4,146.34	4,429.95
Demand Charge: R/kVA/month	109.79	117.30
Access Charge: R/kVA/months	87.83	93.84
Energy Charge: High Demand: Peak (c/kWh)	269.44	287.87
Energy Charge: High Demand: Standard (c/kWh)	88.54	94.60
Energy Charge: High Demand: Off-peak (c/kWh)	60.76	64.92
Energy Charge: Low Demand: Peak (c/kWh)	94.57	101.04
Energy Charge: Low Demand: Standard (c/kWh)	66.84	68.18
Energy Charge: Low Demand: Off-peak (c/kWh)	46.88	50.09
Reactive energy: c/kwh	3.35	3.58

Bulk TOU MV supply at MV Networks	Approved 2017/2018	Proposed 2018/2019
Basic / Fix charge : R/kVA	2,073.17	2,214.97
Demand Charge : R/kVA/months	115.29	123.18
Access Charge : R/kVA/months	92.23	98.54
Energy Charge : High Demand : Peak (c/kWh)	274.83	293.63
Energy Charge : High Demand : Standard (c/KWh)	90.31	96.49
Energy Charge : High Demand : Off-peak (c/kWh)	61.98	66.22
Energy Charge : Low Demand : Peak (c/kWh)	96.46	103.06
Energy Charge : Low Demand : Standard (c/kWh)	69.54	74.30
Energy Charge : Low Demand : Off-peak (c/kWh)	47.82	51.09
Reactive energy : c/kwh	3.35	3.58

Bulk TOU LV supply	Approved 2017/2018	Proposed 2018/2019
Basic / Fix charge : R/kVA	1036.59	1,107.49
Demand Charge : R/kVA/months	126.82	135.49
Access Charge : R/kVA/months	101.45	108.39

Energy Charge : High Demand : Peak (c/kWh)	288.58	308.32
Energy Charge : High Demand : Standard (c/KWh)	94.82	101.31
Energy Charge : High Demand : Off-peak (c/kWh)	65.08	69.53
Energy Charge : Low Demand : Peak (c/kWh)	101.29	108.22
Energy Charge : Low Demand : Standard (c/kWh)	73.02	78.01
Energy Charge : Low Demand : Off-peak (c/kWh)	50.20	53.63
Reactive energy : c/kwh	3.75	4.01

Street lighting tariff

DESCRIPTION	Approved 2017/2018	Proposed 2018/2019
Energy charge : c/kWh	136.30	145.62

1.4.4 Sanitation and Impact of Tariff Increases

An average tariff increase of 6.4 per cent for sanitation from 1 July 2018 is proposed. This is based on the input cost assumptions and balancing the standardization of tariff structures across the municipal are. It should be noted Sanitation charges are currently calculated according to the size of the property as indicated in the table below. This methodology will be reviewed and the municipality will investigate the possibility of introducing sanitation charges calculated according to the percentage water discharged.

Free sanitation will be applicable to all registered indigents. The total revenue expected to be generated from rendering this service amounts to R56 million for the 2018/2019 Financial year.

The following table compares the current and proposed tariffs:

Tables 8 Comparison between current sanitation charges and increases

3. SANITATION TARIFF

Consumer type	*Charge Type (Size of property)*	Approved 2017/2018	Proposed 2018/19
Residential	0-350	24.21	25.76
	351-600	35.71	38.00
	601-800	35.71	38.00
	801-1000	35.71	38.00
	1001-1200	46.45	49.42
	1201-1400	46.45	49.42
	over 1401	170.68	181.60
Bulk water	Over 150 kl	0.95	1.01
Additional Levy	House/Flats	110.72	117.81
	Business/ Industries / Hotels / Gov. per point	121.68	129.47
	Bulk water per kl	4.60	4.89
Vacuum Tanker service	per KL	147.95	157.42
VIP Toilets and Buckets	per suction	56.39	60.00
Availability Charge vacant stands	Residential	178.31	189.72
	Non residential	248.12	264.00

1.4.5 Refuse Removal and Impact of Tariff Increases

An average 6.4 per cent increase in the waste removal tariff is proposed from 1 July 2018. The increase in revenue is not clearly realistic as compared to the suggested tariff increase. The municipality should note that the waste department cost far exceed the revenue generated. The revenue generated by this service is not sufficient to cover the cost of the service incurred by the municipality. Ageing infrastructure and the cost of maintaining landfill site are very high, the other key challenge is the level of service the municipality provides to the communities. The municipality's service level standard is to collect refuse once every week from residential consumers and for certain business customers the service is extended to a more frequent basis.

The following table compares current and proposed amounts payable from 1 July 2018:

Table 9 Comparison between current waste removal fees and increases

Consumer type	*Charge Type(Size of property)*	Approved 2017/18	Proposed 2018/19
Business Daily	Monthly	797.47	848.51
Business	Per Bin	300.00	319.2
Institutions	Per Bin	282.56	300.64
Residential/Flats	Per Bin	143.00	152.15
Old Age Homes	Per Bin	43.00	45.75
Industrial	Per M^3	108.53	115.47

1.4.6 Overall impact of tariff increase on households

The following table shows the overall expected impact of the tariff increases on a large and small household as well as an indigent household receiving free basic services

Table 10 MBRR table SA 14 – Households bills

Description	Ref	2014/15			2015/16	2016/17	Current Year 2017/18	2018/19 Medium Term Revenue & Expenditure Framework			
Rand/cent		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19 % incr.	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates				256.64	275.89	275.89	275.89	7.0%	295.20	314.09	334.19
Electricity: Basic levy				50.00	50.00	50.00	50.00	–	50.00	53.20	56.60
Electricity: Consumption				–	–	–	–	6.4%	–	–	–
Water: Basic levy				–	–	–	–	6.4%	–	–	–
Water: Consumption				136.29	152.64	152.64	152.64	6.4%	162.41	172.81	183.87
Sanitation				126.64	134.74	134.74	134.74	6.4%	143.37	152.54	162.31
Refuse removal				152.26	162.00	162.00	162.00	6.4%	172.37	183.40	195.14

Other				10.00	10.00	10.00	10.00	–	10.00	10.00	10.00
sub-total		–	–	731.83	785.28	785.28	785.28	6.1%	833.36	886.05	942.12
VAT on Services				65.25	65.25	65.25	65.25		125.00	132.91	141.32
Total large household bill:		–	–	797.08	850.53	850.53	850.53	12.7%	958.36	1,018.96	1,083.44
% increase/-decrease			–	–	6.7%	–	–		12.7%	6.3%	6.3%
-											
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates				619.50	665.96	665.96	665.96	7.0%	712.58	758.18	806.71
Electricity: Basic levy				131.07	131.07	131.07	131.07	–	131.07	139.46	148.38
Electricity: Consumption				580.42	592.03	592.03	592.03	6.4%	629.92	670.23	713.13
Water: Basic levy				–	–	–	–	6.4%	–	–	–
Water: Consumption				136.29	152.64	152.64	152.64	6.4%	162.41	172.81	183.87
Sanitation				256.32	272.72	272.72	272.72	6.4%	290.18	308.75	328.51
Refuse removal				259.09	275.67	275.67	275.67	6.4%	293.31	312.09	332.06
Other				10.00	10.00	10.00	10.00	–	10.00	10.00	10.00
sub-total		–	–	1,992.69	2,100.10	2,100.10	2,100.10	6.2%	2,229.48	2,371.52	2,522.66
VAT on Services				160.75	160.75	160.75	160.75		334.42	355.73	378.40
Total small household bill:		–	–	2,153.44	2,260.85	2,260.85	2,260.85	13.4%	2,563.90	2,727.25	2,901.06
% increase/-decrease			–	–	5.0%	–	–		13.4%	6.4%	6.4%
-				-	-	-1.00	-				
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates				–	–	–	–	7.0%	–	–	–
Electricity: Basic levy				–	–	–	–	–	–	–	–
Electricity: Consumption				–	–	–	–	6.4%	–	–	–
Water: Basic levy				–	–	–	–	6.4%	–	–	–
Water: Consumption				183.36	205.36	205.36	205.36	6.4%	218.51	232.49	247.37
Sanitation				–	–	–	–	6.4%	–	–	–

Refuse removal				–	–	–	–	6.4%	–	–	–
Other				10.00	10.00	10.00	10.00	–	10.00	10.00	10.00
sub-total		–	–	193.36	215.36	215.36	215.36	6.1%	228.51	242.49	257.37
VAT on Services				25.67	25.67	25.67	25.67	6.4%	34.28	36.37	38.61
Total small household bill:		–	–	219.03	241.03	241.03	241.03	9.0%	262.78	278.86	295.98
% increase/-decrease			–	–	10.0%	–	–		9.0%	6.1%	6.1%

1.5 Operating Expenditure Framework

The Municipality's expenditure framework for the 2018/2019 budget and MTREF is informed by the following:

- The asset renewal strategy and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the asset renewal strategy and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of *no project plan no budget*. If there is no business plan no funding allocation can be made.

The following table is a high-level summary of the 2018/19 budget and MTREF (classified per main type of operating expenditure):

Table 11 Summary of operating expenditure by standard classification item

Description	Adjustment Budget 2017/18	2018/19 Medium Term Revenue & Expenditure Framework		
		Draft Budget 2018/19	Budget year +1 2019/20	Budget year +2 2020/21
Expenditure By Type				
Employee related costs	494,273	527,095	560,829	596,722
Remuneration of councilors	26,361	28,207	30,012	31,933

Debt impairment	63,664	79,671	84,771	90,196
Depreciation & asset impairment	172,624	178,507	189,932	202,088
Finance charges	7,879	8,431	8,970	9,544
Bulk purchases	641,797	694,221	738,652	785,925
Repairs & Maintenance	65,809	101,601	108,243	115,310
Contracted services	41,322	46,566	49,546	52,717
Transfers and grants	1,590	1,590	1,692	1,800
Other expenditure	103,293	102,428	108,844	115,670
Total Expenditure	1,618,612	1,768,318	1,881,490	2,001,905

The operating expenditure for 2018/19 is estimated at R1.768 billion which will increase to R2,001 billion in 2020/21. The increase relates mainly to the increase in bulk tariffs for water and electricity as well as expected increase in employee costs. The municipality also requires significant resources to fund infrastructure maintenance.

The employee related costs amount to R527 or 30.0 per cent of the total operating expenditure for the 2018/19 financial year. The employee costs were estimated using the current salary levels paid to the staff and are projected to increase to R597 million in 2020/21. The basic salaries for staff budgeted for 7 per cent as the discussions are still not finalised. However, the fact that the organisational structure and job evaluation process are not completed this pose a significant risk that the budget for salaries might be understated.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The remuneration for councillors was estimated to increase by 7 per cent in the next financial year. The percentage increase was conservative based on the recently approved increase but this might change depending on the recommendation of the commission.

Bulk purchases are directly informed by the purchase of electricity from Eskom and water from Rand Water. Bulk purchase expenditure for water and electricity from Rand Water and Eskom respectively will amount to R694 million or 39 per cent of total operating expenditure in 2018/19. The expenditure is unavoidable and an extreme priority in terms of service delivery and is expected to increase to R786 million or 38 per cent of total operating expenditure in 2020/21. The main concern remains the substantial loss of revenue suffered by the municipality due to technical and non-technical factors. Concerted efforts should be made to significantly reduce this distribution losses. The finance department is responsible to address the non-technical losses and efforts are made to address this challenge.

The depreciation and asset impairment expenditure amount to R179 million in 2018/19 or 10 per cent of the total operating expenditure. This expenditure item is expected to increase to R202 million or 10.1 per cent of the total operating expenditure budget in the 2020/21 financial year. Other materials comprise of amongst others the purchase of fuel, diesel, materials for maintenance, cleaning materials and chemicals. In line with the municipality's repairs and maintenance plan this group of expenditures has been prioritised to ensure sustainability of the municipality's infrastructure.

Contracted services has been identified as a cost saving area for the municipality. As part of the compilation of the Financial Recovery Plan this group of expenditures was critically evaluated and operational efficiencies were enforced. In the 2020/21 financial year, this group of expenditures will be further reviewed to cost efficiencies and the implementation of cost containment measures.

Other expenditure comprises of various line items relating to the daily operations of the Municipality. This group of expenditures has also been identified as an area in which cost savings and efficiencies can be achieved.

The following figure gives a breakdown of the main expenditure categories for the 2018/19 financial year.

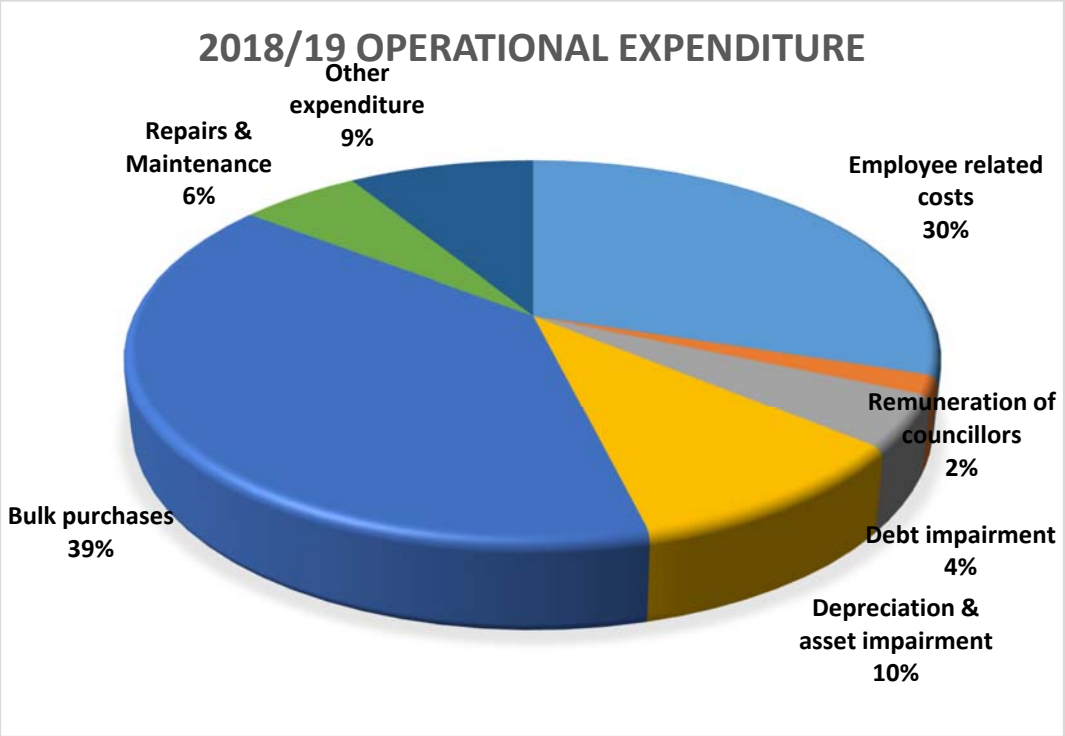


Figure 3 Main operational expenditure categories for the 2018/2019 Financial year

1.5.1 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the municipality's current infrastructure, the 2018/19 budget and MTREF provide a total amount of R101,6 million. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services.

1.5.2 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the municipality's approved Indigent Policy. Detail relating to free services, cost of free basis services, revenue foregone owing to free basic services as well as basic service delivery measurement is contained in Table 27 MBRR A10 (Basic Service Delivery Measurement) on page 38.

All registered indigents of the Rand West City Local Municipality will receive the following free basic services in the 2018/19 financial year: Full exemption on the payment of property rates; 50 kWh of electricity per 30-day period; 6 kℓ water per 30-day period; free sanitation and refuse removal services.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

1.6 Capital expenditure

The capital expenditure over the 2018/19 medium term amounts to R324,8 million in 2018/19 and is expected to decrease to R260.4 million in 2019/20 and R262,5 in the 2020/21 financial year. The three-year capital budget will be funded mainly from government grants due to own revenue constraints as discussed above.

The following table provides a breakdown of budgeted capital expenditure by functional classification or vote:

Table 12 2018/19 Medium-term capital budget per functional classification

GT485 Rand West City - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
R thousand	1	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital Expenditure - Functional								
Governance and administration		–	–	–	–	–	–	–
Executive and council						–	–	–
Finance and administration						–	–	–
Internal audit						–	–	–
Community and public safety		22,105	49,678	49,678	49,678	24,257	12,214	18,000
Community and social services		8,933	5,966	5,966	5,966	3,000	3,000	3,000
Sport and recreation		13,172	26,407	26,407	26,407	13,257	1,214	7,000
Public safety			–	–	–	–	–	–
Housing			17,305	17,305	17,305	8,000	8,000	8,000
Health			–	–	–	–	–	–
Economic and environmental services		47,818	59,933	59,933	59,933	75,335	77,766	70,418
Planning and development		–	–	–	–	–	–	–
Road transport		47,818	59,933	59,933	59,933	75,335	77,766	70,418
Environmental protection			–	–	–	–	–	–
Trading services		86,711	137,699	137,699	137,699	220,002	170,491	174,160
Energy sources		9,000	19,000	19,000	19,000	75,000	71,100	73,700
Water management		65,977	97,438	97,438	97,438	145,002	91,891	93,460
Waste water management		1,500	14,500	14,500	14,500	–	7,500	7,000
Waste management		10,234	6,760	6,760	6,760	–	–	–
Other		–	14,200	14,200	14,200	5,271	–	–
Total Capital Expenditure - Functional	3	156,634	261,510	261,510	261,510	324,866	260,471	262,578
Funded by:								
National Government		104,901	242,844	242,844	242,844	302,594	255,471	257,578
Provincial Government		51,733	4,466	4,466	4,466	3,000	3,000	3,000

District Municipality		–	–	–	–	–	–	–
Other transfers and grants		–	–	–	–	–	–	–
Transfers recognised - capital	4	156,634	247,310	247,310	247,310	305,594	258,471	260,578
Public contributions & donations	5	–	–	–	–	–	–	–
Borrowing	6	–	–	–	–	–	–	–
Internally generated funds		–	14,200	14,200	14,200	19,271	2,000	2,000
Total Capital Funding	7	156,634	261,510	261,510	261,510	324,866	260,471	262,578

The national capital grant funding for the 2018/19 budget year will amount to R302 million and comprises of the Municipal Infrastructure Grant (MIG), Integrated National Electrification Programme (INEP) and Municipal Water Infrastructure Grant (MWIG). Grants from the provincial government amount to R3 million in 2018/19 and include the Human Settlements Development Grant (HSDG) and the Recapitalization of Community Libraries Grant.

The detailed capital budget of the municipality for the 2018/19 MTREF is provided in the table below.

Table 13 2018/19 MTREF – Detailed Capital Budget

GT485 Rand West City - Supporting Table SA36 Detailed capital budget						
Municipal Vote/Capital project	Ref	Program/Project description	2018/19 Medium Term Revenue & Expenditure Framework			Project information
R thousand	4		Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	Ward location
Parent municipality: *List all capital projects grouped by Municipal Vote*						
Infrastructure Services		Rehabilitation of Sewer Networks in Mohlakeng and Toekomsrus	2,374	7,000	10,381	All Wards
Infrastructure Services		Rehabilitation of Roads in Mohlakeng Phase 5	13,100	8,000	10,000	All Wards
Infrastructure Services		Rehabilitation of roads in Zuurbekom(Phase2)	8,500	6,562	1,655	All Wards
Infrastructure Services		Upgrading of Toekomsrus Stadium	13,257	–	2,000	Ward 8
Infrastructure Services		Construction of roads at mohlakeng (Ext 4 and 7)	9,483	7,000	6,000	
Infrastructure Services		Construction of Brandeg Road	–	7,000	7,000	Ward 2
Infrastructure Services		Upgrading of storm water Mohlakeng and Toekomsrus	2,576	6,000	6,000	All Wards
Infrastructure Services		Construction of roads and stormwater in old Mohlakeng(Ext 3 and 5)	11,138	8,000	7,000	Ward 11&15
Development Planning		Construction of Droogheuwel Bulk Water Supply	63,400	–	–	Ward 2
Development Planning		Electrification Of Mohlakeng Ext11	20,000	10,000	10,000	Ward 11
Infrastructure Services		Installation of high mast line- Greater Rand west	–	3,500	2,500	All Wards
Infrastructure Services		Construction of Roads and Stormwater in Mohlakeng Ext11(Phase 4)	–	–	10,000	Ward 11
Infrastructure Services		Construction of Roads and Stormwater in Badirile	6,400	7,821	7,000	Ward 1
Infrastructure Services		Simunye Internal Roads (Ph7)	6,380	5,000	–	Ward 28
Infrastructure Services		Zuurbekom Multi Purpose Sport & Recreation Community Centre (Soccer Field)	–	1,214	5,000	Ward 17
Infrastructure Services		Hills Haven Outfall Sewer Upgrade	–	7,500	7,000	Ward 26
Infrastructure Services		Westonaria alternate supply pipeline construction	11,602	–	–	All Wards
Infrastructure Services		Glenharvie Alternate Pump Supply pipeline construction	–	7,000	10,000	Ward 23
Infrastructure Services		Water supply greater Rand west	55,000	64,891	68,460	All Wards
Infrastructure Services		Procurement of Meters	–	5,000	–	All Wards
Infrastructure Services		Borwa substation	10,000	25,600	19,200	Ward 26
Infrastructure Services		Energy Efficiency	6,000	5,000	5,000	All Wards
Chief Information Officer		I.T Equipment	700	–	–	

Chief Information Officer		Upgrading Server Room	200	–	–	
Municipal Manager		Furniture	100	–	–	
Chief Financial Officer		Furniture and Equipment:Toekomsrus Cash Point	771	–	–	
Corporate Services		Upgrading of Toekomsrus Offices:Cash Point	3,500	–	–	
Infrastructure Services		Electrification of Mohlakeng Ext5	10,000	–	–	
Community Services		Procurement of Library books(Greater Rand west)	1,000	1,000	1,000	
Community Services		Furniture for Dual Purpose Libraries	900	900	900	
Community Services		Furniture for Modular Libraries	300	300	300	
Community Services		Installation of security system	600	600	600	
Community Services		ICT equipment	200	200	200	
Development Planning		Electrification Of Zenzele Informal Settlement	10,000	10,000	10,000	
Development Planning		Electrification Of Jabulani Informal Settlement	5,000	5,000	5,000	
Development Planning		Electrification Of OR Tambo Informal Settlement	10,000	10,000	10,000	
Development Planning		Supply and Installation of Prepaid Water Meters in Finsbury	10,000	10,000	10,000	
Development Planning		Construction of Roads in Greater Rand west	10,383	10,383	10,383	All Wards
Development Planning		Underground Water and Sanitation Monitoring Framework(Master Plans)	5,000	5,000	5,000	All Wards
Development Planning		Feasibility Studies(Dolomitic,Geotechnical and EIA Studies)	8,000	8,000	8,000	All Wards
Development Planning		Development Roads and Stormwater(Master Plan)	5,000	5,000	5,000	All Wards
Parent Capital expenditure	1		320,866	258,471	260,578	

1.7 Annual Budget Tables

The section present the ten main budget tables are required in terms of section 8 of the Municipal Budget and Reporting Regulations.

Table 13 MBRR Table A1 – Budget Summary (continued)

GT485 Rand West City - Table A1 Budget Summary								
Description	2016/17	Current Year 2018/19				2018/19 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Financial Performance								
Property rates	165,070	192,778	220,403	220,403	220,403	234,508	249,517	265,486
Service charges	821,305	972,705	1,028,369	1,028,369	1,028,369	1,113,664	1,184,939	1,261,246
Investment revenue	7,873	3,193	3,193	3,193	3,193	3,398	3,615	3,847
Transfers recognised - operational	260,580	283,054	278,454	278,454	278,454	307,469	329,432	359,513
Other own revenue	68,523	102,915	102,453	102,453	102,453	109,348	116,346	123,793
Total Revenue (excluding capital transfers and contributions)	1,323,351	1,554,645	1,632,872	1,632,872	1,632,872	1,768,388	1,883,850	2,013,884
Employee costs	420,564	490,246	494,273	494,273	494,273	527,095	560,829	596,722
Remuneration of councillors	21,370	26,361	26,361	26,361	26,361	28,207	30,012	31,933

Depreciation & asset impairment	196,080	172,624	172,624	172,624	172,624	178,508	189,932	202,088
Finance charges	66,268	7,879	7,879	7,879	7,879	8,431	8,970	9,544
Materials and bulk purchases	587,635	683,514	707,606	707,606	707,605	795,822	846,894	901,235
Transfers and grants	1,500	1,590	1,590	1,590	1,590	1,590	1,692	1,800
Other expenditure	237,802	166,630	208,279	208,279	208,279	228,666	243,161	258,583
Total Expenditure	1,531,219	1,548,845	1,618,613	1,618,613	1,618,611	1,768,318	1,881,490	2,001,905
Surplus/(Deficit)	(207,867)	5,801	14,259	14,259	14,261	70	2,360	11,979
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	236,367	156,634	247,311	247,311	247,310	305,594	247,310	247,310
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	28,500	162,435	261,570	261,570	261,571	305,665	249,670	259,289
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	28,500	162,435	261,570	261,570	261,571	305,665	249,670	259,289

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the City's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasizes the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:

    a. The operating surplus (after Total Expenditure) is positive over the MTREF
    b. Capital expenditure is balanced by capital funding sources, of which:
        i. Transfers recognized is reflected on the Financial Performance Budget;
        ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
        iii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently many of its obligations are not cash-backed. This place the municipality in a very vulnerable financial position, as the recent slow-down in revenue collections highlighted. Consequently, Council has taken a deliberate decision to ensure adequate cash-backing for all material obligations in accordance with the recently adopted Funding and Reserves Policy. This cannot be achieved in one financial year. But over the MTREF there is progressive improvement in the level of cash-backing of obligations. It is anticipated that the goal of having all obligations cash-back will be achieved by 2020/21, when a small surplus is reflected.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Basic Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs. It is anticipated that by 2020/20 the water backlog will have been very nearly eliminated.

Table 14 MBRR Table A2 – Budgeted Financial Performance (revenue and expenditure by standard classification)

GT485 Rand West City - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)							
Functional Classification Description	**2017/18**	**Current Year 2018/19**			**2018/19 Medium Term Revenue & Expenditure Framework**		
R thousand	**Audited Outcome**	**Original Budget**	**Adjusted Budget**	**Full Year Forecast**	**Budget Year 2018/19**	**Budget Year +1 2019/20**	**Budget Year +2 2020/21**
Revenue - Functional							
Governance and administration	**331,358**	**354,417**	**383,410**	**383,410**	**408,145**	**434,266**	**462,059**
Executive and council	22,174	33,088	33,088	33,088	31,247	33,247	35,375
Finance and administration	309,184	321,329	350,321	350,321	376,897	401,019	426,684
Community and public safety	**25,562**	**23,062**	**22,064**	**22,064**	**23,476**	**24,978**	**26,577**
Community and social services	14,636	19,834	18,834	18,834	20,040	21,322	22,687
Sport and recreation	736	932	933	933	993	1,056	1,124
Public safety	10,190	–	–	–	–	–	–
Health	–	2,296	2,296	2,296	2,443	2,599	2,766
Economic and environmental services	**78,244**	**191,816**	**282,899**	**282,899**	**345,380**	**291,927**	**304,251**
Planning and development	45,844	178,482	268,115	268,115	327,731	273,148	284,270
Road transport	32,257	13,334	14,784	14,784	17,649	18,779	19,981
Environmental protection	143	–	–	–	–	–	–
Trading services	**1,124,555**	**1,113,005**	**1,162,832**	**1,162,832**	**1,266,127**	**1,347,159**	**1,433,377**
Energy sources	705,305	651,689	693,516	693,516	747,601	795,447	846,356
Water management	269,223	317,877	317,877	317,877	355,946	378,727	402,965
Waste water management	70,385	69,956	71,956	71,956	77,246	82,189	87,449
Waste management	79,642	73,484	79,484	79,484	85,334	90,796	96,607
Other	**–**	**28,978**	**28,978**	**28,978**	**30,855**	**32,830**	**34,931**
Total Revenue - Functional	**1,559,719**	**1,711,279**	**1,880,183**	**1,880,183**	**2,073,982**	**2,131,160**	**2,261,194**

Expenditure - Functional							
Governance and administration	**341,255**	**336,024**	**366,203**	**366,203**	**361,586**	**384,727**	**409,350**
Executive and council	98,140	83,165	86,417	86,417	62,099	66,073	70,302
Finance and administration	243,114	248,924	276,025	276,025	295,438	314,346	334,464
Internal audit	–	3,935	3,762	3,762	4,048	4,307	4,583
Community and public safety	**146,920**	**58,825**	**65,814**	**65,814**	**138,931**	**147,823**	**157,283**
Community and social services	35,137	19,988	18,976	18,976	63,651	67,725	72,059
Sport and recreation	91,622	779	779	779	17,649	18,779	19,981
Public safety	19,795	35,763	43,763	43,763	46,564	49,544	52,714
Health	365	2,296	2,296	2,296	11,067	11,775	12,529
Economic and environmental services	**138,658**	**106,705**	**104,484**	**104,484**	**168,441**	**179,221**	**190,692**
Planning and development	53,133	26,640	25,376	25,376	29,406	31,288	33,291
Road transport	84,525	77,866	76,928	76,928	136,814	145,570	154,886
Environmental protection	1,000	2,199	2,180	2,180	2,221	2,363	2,515
Trading services	**904,387**	**1,047,291**	**1,082,111**	**1,082,111**	**1,099,360**	**1,169,719**	**1,244,581**
Energy sources	582,878	660,059	687,915	687,915	644,565	685,817	729,709
Water management	248,600	277,871	276,652	276,652	303,332	322,745	343,401
Waste water management	32,145	54,882	57,684	57,684	62,933	66,960	71,246
Waste management	40,763	54,479	59,860	59,860	88,530	94,196	100,225
Total Expenditure - Functional	**1,531,219**	**1,548,845**	**1,618,613**	**1,618,613**	**1,768,318**	**1,881,490**	**2,001,905**

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms if each of those functional areas which enables the National Treasury to compile whole of government reports.

2. Note the Total Revenue on this table includes capital revenues (Transfers recognized – capital) and so does not balance to the operating revenue shown on Table A4.
3. Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that this is the case for all trading services. As already noted above, the municipality will be undertaking a detailed study of this functions to explore ways of improving efficiencies and provide a basis for re-evaluating the function's tariff structure.
4. Other functions that show a deficit between revenue and expenditure are being financed from rates revenue and other revues sources reflected under the Corporate Services.

Tables 165 MBRR Table A3 – Budgeted Financial Performance (revenue and expenditure by municipal vote)

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure
by municipal vote)

Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the City. This means it is possible to present the operating surplus or deficit of a vote. The following table is an analysis of the surplus or deficit for the electricity and water trading services.

Table 16 MBRR Table A4 – Budgeted Financial Performance (revenue and expenditure)

Description	Current Year 2018/19			2018/19 Medium Term Revenue & Expenditure Framework		
R thousand	Original Budget	Adjusted Budget	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Expenditure By Type						
Employee related costs	490,246	494,273	494,273	527,095	560,829	596,722
Remuneration of councillors	26,361	26,361	26,361	28,207	30,012	31,933
Debt impairment	27,209	63,664	63,664	79,672	84,771	90,196
Depreciation & asset impairment	172,624	172,624	172,624	178,508	189,932	202,088
Finance charges	7,879	7,879	7,879	8,431	8,970	9,544
Bulk purchases	613,245	641,797	641,797	694,221	738,652	785,925
Other materials	70,269	65,809	65,808	101,601	108,243	115,310
Contracted services	42,567	41,322	41,322	46,566	49,546	52,717
Transfers and subsidies	1,590	1,590	1,590	1,590	1,692	1,800
Other expenditure	96,854	103,293	103,293	102,428	108,844	115,670
Loss on disposal of PPE						
Total Expenditure	1,548,845	1,618,613	1,618,611	1,768,318	1,881,490	2,001,905
Surplus/(Deficit)	– 5,801	14,259	14,261	70	2,360	11,979
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	156,634	247,311	247,310	305,594	247,310	247,310
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)						
Surplus/(Deficit) after capital transfers & contributions	162,435	261,570	261,571	305,665	249,670	259,289
Taxation						
Surplus/(Deficit) after taxation	162,435	261,570	261,571	305,665	249,670	259,289
Attributable to minorities						
Surplus/(Deficit) attributable to municipality	162,435	261,570	261,571	305,665	249,670	259,289
Share of surplus/ (deficit) of associate						
Surplus/(Deficit) for the year	162,435	261,570	261,571	305,665	249,670	259,289

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1 Total revenue is R1.768 billion in 2018/19 and escalates to R2,014 billion by 2020/21.
2. Revenue to be generated from property rates is R234 million in the 2018/19 financial year and increases to R265 million by 2020/21 which represents 13 per cent of the operating revenue base of the municipality and therefore remains a significant funding source for the municipality. It remains relatively constant over the medium-term and tariff increases have been factored in at an average of 6,4 per cent over the respective financial years of the MTREF.
3. Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the municipality totalling R1 billion for the 2018/19 financial year and increasing to R1.2 billion by 2020/21. For the 2018/19 financial year services charges amount to 63 per cent of the total revenue base and grows by 12.3 per cent per annum over the medium-term. This growth can mainly be attributed to the increase in the bulk prices of electricity and water.
4. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that in real terms the grants receipts from national government are growing rapidly over the MTREF by 18 per cent and 9.6 per cent for the two outer years. The percentage share of this revenue source is on average 18.4 per cent of total operating revenue.

Table 17 MBRR Table A5 – Budgeted Capital Expenditure by vote, standard classification and funding source

GT485 Rand West City - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
R thousand	1	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital Expenditure - Functional								
Governance and administration		–	–	–	–	–	–	–
Executive and council						–	–	–
Finance and administration						–	–	–
Internal audit						–	–	–
Community and public safety		22,105	49,678	49,678	49,678	24,257	12,214	18,000
Community and social services		8,933	5,966	5,966	5,966	3,000	3,000	3,000
Sport and recreation		13,172	26,407	26,407	26,407	13,257	1,214	7,000
Public safety			–	–	–	–	–	–
Housing			17,305	17,305	17,305	8,000	8,000	8,000
Health			–	–	–	–	–	–
Economic and environmental services		47,818	59,933	59,933	59,933	75,335	77,766	70,418
Planning and development		–	–	–	–	–	–	–
Road transport		47,818	59,933	59,933	59,933	75,335	77,766	70,418

Environmental protection			–	–	–	–	–	–
Trading services		86,711	137,699	137,699	137,699	220,002	170,491	174,160
Energy sources		9,000	19,000	19,000	19,000	75,000	71,100	73,700
Water management		65,977	97,438	97,438	97,438	145,002	91,891	93,460
Waste water management		1,500	14,500	14,500	14,500	–	7,500	7,000
Waste management		10,234	6,760	6,760	6,760	–	–	–
Other		–	14,200	14,200	14,200	5,271	–	–
Total Capital Expenditure - Functional	3	156,634	261,510	261,510	261,510	324,866	260,471	262,578
Funded by:								
National Government		104,901	242,844	242,844	242,844	302,594	255,471	257,578
Provincial Government		51,733	4,466	4,466	4,466	3,000	3,000	3,000
District Municipality		–	–	–	–	–	–	–
Other transfers and grants		–	–	–	–	–	–	–
Transfers recognised - capital	4	156,634	247,310	247,310	247,310	305,594	258,471	260,578
Public contributions & donations	5	–	–	–	–	–	–	–
Borrowing	6	–	–	–	–	–	–	–
Internally generated funds		–	14,200	14,200	14,200	19,271	2,000	2,000
Total Capital Funding	7	156,634	261,510	261,510	261,510	324,866	260,471	262,578

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. In relation to multi-year appropriations, for 2018/19 R324 million has been allocated. This allocation decreases to R260.4 million in 2018/19 and then flattens out to R262.6 million in 2020/21 owing primarily to the fact that various projects reach completion in 2018/19 hence the spike in expenditure in year two.

3. Single-year capital expenditure has been appropriated at 324 million for the 2018/19 financial year and remains relatively constant over the MTREF at levels of R260 million and R262 million respectively for the two outer years.

4. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service

delivery imperatives of the municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.

5. The capital programme is funded from only capital and provincial grants and transfer. For 2018/19, capital transfers from national government totals R302 million (66.9 per cent) and slightly escalates to R260 million by 2020/21 (68.1 per cent). The capital budget will be fully funded from capital grants over MTREF with an anticipated review of the capital funding mix to be undertaken during the preparation of the 2018/19 MTREF. This review of the funding sources will determine whether the municipality can create additional financing capacity for capital investments from borrowings and internally generated revenue over the next 3 to 5 years as part of the financial recovery plan.

Table 18 MBRR Table A6 – Budgeted Financial Position

GT485 Rand West City - Table A6 Budgeted Financial Position

Description	Ref	2014/15	2015/16	2016/17	Current Year 2018/19				2018/19 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
ASSETS											
Current assets											
Cash				127,943	268,400	242,869	242,869	89,852	168,897	179,706	191,207
Call investment deposits	1	–	–	–	–	–	–	–	–	–	–
Consumer debtors	1	–	–	211,914	259,349	222,894	222,894	313,864	282,138	300,194	319,407
Other debtors				1,014	1,014	1,014	1,014	1,014	1,148	1,221	1,299
Current portion of long-term receivables				1,436	1,123	1,123	1,123	1,123	1,626	1,730	1,840
Inventory	2			3,847	4,806	4,806	4,806	4,806	4,355	4,634	4,930
Total current assets		–	–	346,153	534,691	472,705	472,705	410,658	458,163	487,485	518,684
Non current assets											
Long-term receivables				1,261	1,260	1,260	1,260	1,260	1,428	1,519	1,617
Investments				12,231	12,139	12,737	12,987	–	–	–	–
Investment property				256,280	268,692	268,692	268,692	268,692	290,134	308,703	328,460
Investment in Associate											
Property, plant and equipment	3	–	–	3,537,145	3,660,562	3,945,958	3,945,958	3,945,958	4,198,500	4,467,204	4,753,105
Agricultural											
Biological				629	662	662	662	662	705	750	798
Intangible				6,827	6,279	6,279	6,279	6,279	6,681	7,109	7,564
Other non-current assets				4,257	20,166	20,166	20,166	20,166	4,819	5,127	5,455
Total non current assets		–	–	3,818,631	3,969,761	4,255,755	4,256,005	4,243,018	4,502,266	4,790,411	5,096,998
TOTAL ASSETS		–	–	4,164,784	4,504,452	4,728,461	4,728,711	4,653,676	4,960,429	5,277,896	5,615,682
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	–	–	14,028	12,204	1,893	1,429	2,338	–	–	–
Consumer deposits				57,172	59,565	59,565	59,565	59,565	64,724	68,866	73,273
Trade and other payables	4	–	–	662,525	618,587	613,855	614,105	531,117	499,589	481,563	462,383
Provisions				2,834	2,203	52,203	52,203	52,203	3,208	3,413	3,632

Total current liabilities		–	–	736,558	692,558	727,516	727,301	645,223	567,521	553,842	539,288
Non current liabilities											
Borrowing		–	–	2,338	–	–	–	–	–	–	–
Provisions		–	–	334,745	62,085	62,085	62,085	356,169	378,963	403,217	429,023
Total non current liabilities		–	–	337,083	62,085	62,085	62,085	356,169	378,963	403,217	429,023
TOTAL LIABILITIES		–	–	1,073,641	754,643	789,601	789,386	1,001,392	946,484	957,059	968,311
NET ASSETS	5	–	–	3,091,143	3,749,809	3,938,860	3,939,325	3,652,285	4,013,945	4,320,838	4,647,371
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)				3,089,472	3,748,138	3,937,189	3,937,654	3,650,614	4,012,274	4,319,167	4,645,700
Reserves	4	–	–	1,671	1,671	1,671	1,671	1,671	1,671	1,671	1,671
TOTAL COMMUNITY WEALTH/EQUITY	5	–	–	3,091,143	3,749,809	3,938,860	3,939,325	3,652,285	4,013,945	4,320,838	4,647,371

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understanding for councillors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
4. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is

Table 19 MBRR Table A7 – Budgeted Cash Flow Statement

Description	Ref	2016/17	Current Year 2018/19				2018/19 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates		157,162	183,139	196,158	196,158	196,158	211,058	232,163	247,022
Service charges		678,656	929,758	888,548	888,548	888,548	1,002,298	1,102,528	1,173,089
Other revenue		43,263	78,519	78,938	78,938	78,938	69,914	76,906	81,828
Government - operating	1	260,580	283,054	279,954	279,954	279,954	307,469	338,216	359,862
Government - capital	1	187,325	156,634	247,310	247,310	247,310	305,594	325,152	345,962
Interest		7,305	21,702	27,042	27,042	27,042	26,867	29,554	31,446
Dividends		50	50	50	50	50	53	59	62
Payments									
Suppliers and employees		(1,018,138)	(1,346,936)	(1,346,936)	(1,346,936)	(1,467,936)	(1,525,618)	(1,621,625)	(1,723,777)
Finance charges		(26,601)	(5,238)	(5,238)	(5,238)	(28,303)	(8,431)	(8,970)	(9,544)
Transfers and Grants	1	(1,500)	(1,590)	(1,590)	(1,590)	(1,590)	(1,590)	(1,692)	(1,800)
NET CASH FROM/(USED) OPERATING ACTIVITIES		288,103	299,092	364,237	364,237	220,172	387,616	472,291	504,149
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE							–	–	–
Decrease (Increase) in non-current debtors		694				738	785	836	889
Decrease (increase) other non-current receivables							–	–	–
Decrease (increase) in non-current investments							13,847	–	–
Payments									
Capital assets		(227,799)	(156,634)	(247,310)	(247,310)	(247,310)	(320,866)	(258,471)	(260,578)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(227,106)	(156,634)	(247,310)	(247,310)	(246,572)	(306,233)	(257,636)	(259,689)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans							–	–	–
Borrowing long term/refinancing							–	–	–
Increase (decrease) in consumer deposits							–	–	–
Payments									
Repayment of borrowing		(14,084)	(2,000)	(2,000)	(2,000)	(11,691)	(2,338)	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		(14,084)	(2,000)	(2,000)	(2,000)	(11,691)	(2,338)	–	–
NET INCREASE/ (DECREASE) IN CASH HELD		46,913	140,457	114,927	114,927	(38,091)	79,045	214,655	244,460

Cash/cash equivalents at the year begin:	2	81,029	127,943	127,943	127,943	127,943	89,852	168,897	383,552
Cash/cash equivalents at the year end:	2	127,943	268,400	242,869	242,869	89,852	168,897	383,552	628,012

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. The 2018/19 MTREF has been informed by the planning principle of ensuring adequate cash reserves over the medium-term.
4. Cash and cash equivalents totals R168 million as at the end of the 2018/19 financial year.

GT485 Rand West City - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
R thousand		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash and investments available								
Cash/cash equivalents at the year end	1	268,400	242,869	242,869	89,852	168,897	383,552	628,012
Other current investments > 90 days		–	–	–	–	–	(203,846)	(436,805)
Non current assets - Investments	1	12,139	12,737	12,987	–	–	–	–
Cash and investments available:		280,539	255,606	255,856	89,852	168,897	179,706	191,207
Application of cash and investments								
Unspent conditional transfers		–	–	–	–	–	–	–
Unspent borrowing		–	–	–		–	–	–
Statutory requirements	2							
Other working capital requirements	3	280,539	327,643	327,893	166,562	150,704	101,323	57,892
Other provisions								
Long term investments committed	4	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5							
Total Application of cash and investments:		280,539	327,643	327,893	166,562	150,704	101,323	57,892
Surplus(shortfall)		–	(72,037)	(72,037)	(76,710)	18,193	78,382	133,315

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 91 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate

that the annual budget is not appropriately funded.

5. As part of the budgeting and planning guidelines that informed the compilation of the 2018/19 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.
6. As can be seen the budget has been modelled to progressively move from a surplus of R18 million in 2018/19 to a surplus of R78 million by 2020/21.

Table 21 MBRR Table A9 – Asset Management

GT485 Rand West City - Table A9 Asset Management

Description	Ref	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
R thousand		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
CAPITAL EXPENDITURE							
Total New Assets	1	129,933	199,126	199,126	279,558	224,409	224,543
Roads Infrastructure		29,865	33,850	33,850	48,785	50,204	42,383
Storm water Infrastructure		–	–	–	–	–	–
Electrical Infrastructure		9,000	19,000	19,000	73,000	70,100	72,700
Water Supply Infrastructure		54,977	86,898	88,938	145,002	91,891	93,460
Sanitation Infrastructure		–	–	–	–	–	–
Solid Waste Infrastructure		10,234	6,760	6,760	–	–	–
Rail Infrastructure		–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	200	–	–
Infrastructure		*104,077*	*146,509*	*148,549*	*266,987*	*212,195*	*208,543*
Community Facilities		5,600	7,040	5,500	3,000	3,000	3,000
Sport and Recreation Facilities		9,256	14,772	14,773	–	1,214	5,000
Community Assets		*14,856*	*21,812*	*20,273*	*3,000*	*4,214*	*8,000*
Heritage Assets		–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–
Investment properties		–	–	–	–	–	–
Operational Buildings		–	10,000	10,000	–	–	–
Housing		11,000	20,305	20,305	8,000	8,000	8,000
Other Assets		*11,000*	*30,305*	*30,305*	*8,000*	*8,000*	*8,000*
Biological or Cultivated Assets		–	–	–	–	–	–

Servitudes		–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–
Computer Equipment		–	–	–	700	–	–
Furniture and Office Equipment		–	300	–	871	–	–
Machinery and Equipment		–	–	–	–	–	–
Transport Assets		–	200	–	–	–	–
Libraries		–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–
Total Renewal of Existing Assets	2	21,285	35,249	35,249	25,542	20,062	37,035
Roads Infrastructure		16,452	24,583	24,583	25,542	20,062	28,035
Storm water Infrastructure		–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–
Sanitation Infrastructure		1,500	1,500	1,500	–	–	7,000
Solid Waste Infrastructure		–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–
Infrastructure		*17,952*	*26,083*	*26,083*	*25,542*	*20,062*	*35,035*
Community Facilities		3,333	1,166	1,166	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	2,000
Community Assets		*3,333*	*1,166*	*1,166*	–	–	*2,000*
Heritage Assets		–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–
Investment properties		–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–
Housing		–	8,000	8,000	–	–	–
Other Assets		–	*8,000*	*8,000*	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–
Servitudes		–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–

Intangible Assets		–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–
Libraries		–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–
Total Upgrading of Existing Assets	6	5,416	27,135	27,135	19,766	16,000	1,000
Roads Infrastructure		–	–	–	–	–	–
Storm water Infrastructure		1,500	1,500	1,500	6,066	5,000	–
Electrical Infrastructure		–	–	–	2,000	1,000	1,000
Water Supply Infrastructure		–	10,500	10,500	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–
Infrastructure		*1,500*	*12,000*	*12,000*	*8,066*	*6,000*	*1,000*
Community Facilities		–	–	–	–	–	–
Sport and Recreation Facilities		3,916	11,635	11,635	11,500	10,000	–
Community Assets		*3,916*	*11,635*	*11,635*	*11,500*	*10,000*	–
Heritage Assets		–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–
Investment properties		–	–	–	–	–	–
Operational Buildings		–	3,500	3,500	–	–	–
Housing		–	–	–	–	–	–
Other Assets		–	*3,500*	*3,500*	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–
Servitudes		–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–

Furniture and Office Equipment		–	–	–	–	–	–
Machinery and Equipment		–	–	–	200	–	–
Transport Assets		–	–	–	–	–	–
Libraries		–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–
Total Capital Expenditure	4						
Roads Infrastructure		46,318	58,433	58,433	74,326	70,266	70,418
Storm water Infrastructure		1,500	1,500	1,500	6,066	5,000	–
Electrical Infrastructure		9,000	19,000	19,000	75,000	71,100	73,700
Water Supply Infrastructure		54,977	97,398	99,438	145,002	91,891	93,460
Sanitation Infrastructure		1,500	1,500	1,500	–	–	7,000
Solid Waste Infrastructure		10,234	6,760	6,760	–	–	–
Rail Infrastructure		–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	200	–	–
Infrastructure		*123,529*	*184,592*	*186,632*	*300,594*	*238,257*	*244,578*
Community Facilities		8,933	8,206	6,666	3,000	3,000	3,000
Sport and Recreation Facilities		13,172	26,407	26,408	11,500	11,214	7,000
Community Assets		*22,105*	*34,613*	*33,073*	*14,500*	*14,214*	*10,000*
Heritage Assets		–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–
Investment properties		–	–	–	–	–	–
Operational Buildings		–	13,500	13,500	–	–	–
Housing		11,000	28,305	28,305	8,000	8,000	8,000
Other Assets		*11,000*	*41,805*	*41,805*	*8,000*	*8,000*	*8,000*
Biological or Cultivated Assets		–	–	–	–	–	–
Servitudes		–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–
Computer Equipment		–	–	–	700	–	–
Furniture and Office Equipment		–	300	–	871	–	–
Machinery and Equipment		–	–	–	200	–	–

Transport Assets		–	200	–	–	–	–
Libraries		–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class		156,634	261,510	261,510	324,866	260,471	262,578
ASSET REGISTER SUMMARY - PPE (WDV)	5						
Roads Infrastructure		783,142	793,142	793,142	841,926	892,130	934,513
Storm water Infrastructure			–	–	–	–	
Electrical Infrastructure		934,813	944,813	944,813	1,015,813	1,084,913	1,156,613
Water Supply Infrastructure		436,303	446,303	446,303	591,305	683,196	776,656
Sanitation Infrastructure		186,663	191,663	191,663	191,663	191,663	191,663
Solid Waste Infrastructure		195,397	195,397	195,397	195,397	195,397	195,397
Rail Infrastructure							
Coastal Infrastructure							
Information and Communication Infrastructure							
Infrastructure		*2,536,317*	*2,571,317*	*2,571,317*	*2,836,104*	*3,047,299*	*3,254,842*
Community Facilities		746,251	746,251	746,251	749,251	752,251	755,251
Sport and Recreation Facilities		50,204	56,106	56,106	56,106	57,320	62,320
Community Assets		*796,455*	*802,356*	*802,356*	*805,356*	*809,571*	*817,571*
Heritage Assets							
Revenue Generating							
Non-revenue Generating							
Investment properties		–	–	–	–	–	–
Operational Buildings							
Housing		338,620	348,620	348,620	356,620	364,620	372,620
Other Assets		*338,620*	*348,620*	*348,620*	*356,620*	*364,620*	*372,620*
Biological or Cultivated Assets		662	662	662	662	662	662
Servitudes		37,841	37,841	37,841	37,841	37,841	37,841
Licences and Rights							
Intangible Assets		*37,841*	*37,841*	*37,841*	*37,841*	*37,841*	*37,841*
Computer Equipment							
Furniture and Office Equipment		185,163	185,163	185,163	186,934	186,934	186,934
Machinery and Equipment							
Transport Assets							
Libraries		326,535	275,633	275,633	272,502	336,838	419,456
Zoo's, Marine and Non-biological Animals							
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	4,221,592	4,221,592	4,221,592	4,496,020	4,783,765	5,089,926
EXPENDITURE OTHER ITEMS							

Depreciation	7	172,624	172,624	172,624	172,624	178,508	189,932
Repairs and Maintenance by Asset Class	3	73,567	–	–	101,602	102,290	102,955
Roads Infrastructure		7,099	–	–	35,591	36,471	36,708
Storm water Infrastructure		7,198	–	–	–	–	–
Electrical Infrastructure		20,486	–	–	20,486	20,617	20,751
Water Supply Infrastructure		9,785	–	–	9,785	9,847	9,911
Sanitation Infrastructure		2,500	–	–	2,956	2,975	2,994
Solid Waste Infrastructure		16,500	–	–	17,494	17,606	17,720
Rail Infrastructure		–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–
Infrastructure		*63,567*	–	–	*86,312*	*87,516*	*88,085*
Community Facilities		2,000	–	–	3,489	2,908	2,927
Sport and Recreation Facilities		1,000	–	–	1,023	1,030	1,037
Community Assets		*3,000*	–	–	*4,513*	*3,938*	*3,963*
Heritage Assets		–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–
Investment properties		–	–	–	–	–	–
Operational Buildings		2,000	–	–	2,629	2,646	2,663
Housing		–	–	–	–	–	–
Other Assets		*2,000*	–	–	*2,629*	*2,646*	*2,663*
Biological or Cultivated Assets		–	–	–	–	–	–
Servitudes		–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–
Machinery and Equipment		2,000	–	–	3,679	3,702	3,727
Transport Assets		3,000	–	–	4,469	4,487	4,516
Libraries		–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS		246,191	172,624	172,624	274,226	280,798	292,887

Explanatory notes to Table A9 – Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new asses and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocates at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. The municipality is not complying with both these recommendations.

Table 22 MBRR Table A10 – Basic Service Delivery Measurement

GT485 Rand West City - Table A10 Basic service delivery measurement

Description	2016/17	Current Year 2018/19			2018/19 Medium Term Revenue & Expenditure Framework		
	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Household service targets							
Water:							
Piped water inside dwelling	41,108	41,108	41,108	41,108	41,108	41,108	41,108
Piped water inside yard (but not in dwelling)	9,127	9,127	9,127	9,127	9,127	9,127	9,127
Using public tap (at least min.service level)	16,883	16,883	16,883	16,883	16,883	16,883	16,883
Other water supply (at least min.service level)	35,670	35,670	35,670	35,670	35,670	35,670	35,670
Minimum Service Level and Above sub-total	102,788	102,788	102,788	102,788	102,788	102,788	102,788
Using public tap (< min.service level)	–	–	–	–	–	–	–
Other water supply (< min.service level)	97	97	97	97	97	97	97
No water supply	–	–	–	–	–	–	–
Below Minimum Service Level sub-total	97	97	97	97	97	97	97
Total number of households	102,885	102,885	102,885	102,885	102,885	102,885	102,885
Sanitation/sewerage:							
Flush toilet (connected to sewerage)	24,930	24,930	24,930	24,930	24,930	24,930	24,930
Flush toilet (with septic tank)	735	735	735	735	735	735	735
Chemical toilet	601	601	601	601	601	601	601
Pit toilet (ventilated)	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Other toilet provisions (> min.service level)	100	100	100	100	100	100	100
Minimum Service Level and Above sub-total	27,366	27,366	27,366	27,366	27,366	27,366	27,366
Bucket toilet	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)	–	–	–	–	–	–	–
No toilet provisions	550	550	550	550	550	550	550
Below Minimum Service Level sub-total	550	550	550	550	550	550	550
Total number of households	27,916	27,916	27,916	27,916	27,916	27,916	27,916
Energy:							
Electricity (at least min.service level)	40,720	40,720	40,720	40,720	40,720	40,720	40,720
Electricity - prepaid (min.service level)	5,720	5,720	5,720	5,720	5,720	5,720	5,720
Minimum Service Level and Above sub-total	46,440	46,440	46,440	46,440	46,440	46,440	46,440
Electricity (< min.service level)	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–
Other energy sources	–	–	–	–	–	–	–
Below Minimum Service Level sub-total	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Total number of households	61,440	61,440	61,440	61,440	61,440	61,440	61,440
Refuse:							
Removed at least once a week	41,235	41,235	41,235	41,235	41,235	41,235	41,235
Minimum Service Level and Above sub-total	41,235	41,235	41,235	41,235	41,235	41,235	41,235
Removed less frequently than once a week	547	547	547	547	547	547	547
Using communal refuse dump	2,865	2,865	2,865	2,865	2,865	2,865	2,865
Using own refuse dump	11,523	11,523	11,523	11,523	11,523	11,523	11,523

Other rubbish disposal	720	720	720	720	720	720	720
No rubbish disposal	124	124	124	124	124	124	124
Below Minimum Service Level sub-total	15,779	15,779	15,779	15,779	15,779	15,779	15,779
Total number of households	57,014	57,014	57,014	57,014	57,014	57,014	57,014
Households receiving Free Basic Service							
Water (6 kilolitres per household per month)	–	–	–	–	–	–	–
Sanitation (free minimum level service)	–	–	–	–	–	–	–
Electricity/other energy (50kwh per household per month)	–	–	–	–	–	–	–
Refuse (removed at least once a week)	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)							
Water (6 kilolitres per indigent household per month)	4,658	4,658	4,658	4,658	5,226	5,561	5,916
Sanitation (free sanitation service to indigent households)	–	–	–	–	–	–	–
Electricity/other energy (50kwh per indigent household per month)	636	6,474	6,474	6,474	6,916	7,359	7,359
Refuse (removed once a week for indigent households)	–	14,743	14,743	14,743	15,686	16,690	17,758
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	–	–	–	–	–	–	–
Total cost of FBS provided	5,294	25,874	25,874	25,874	27,829	29,610	31,034
Highest level of free service provided per household							
Property rates (R value threshold)							
Water (kilolitres per household per month)							
Sanitation (kilolitres per household per month)							
Sanitation (Rand per household per month)							
Electricity (kwh per household per month)							
Refuse (average litres per week)							
Revenue cost of subsidised services provided (R'000)							
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)							
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)	45,918	41,111	41,111	41,111	43,742	46,541	49,520
Water (in excess of 6 kilolitres per indigent household per month)	(0)	–	–	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)	–	–	–	–	–	–	–
Electricity/other energy (in excess of 50 kwh per indigent household per month)	9,000	5,838	–	–	–	–	–
Refuse (in excess of one removal a week for indigent households)	(0)	–	–	–	–	–	–
Municipal Housing - rental rebates							
Housing - top structure subsidies							
Other							
Total revenue cost of subsidised services provided	54,917	46,948	41,111	41,111	43,742	46,541	49,520

Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.

The primary aims of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- That the various spending priorities of the different municipal departments are properly evaluated and prioritized in the allocation of resources.

2.1.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2016) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required the IDP and budget time schedule in August 2017.

2.1.2 IDP and Service Delivery and Budget Implementation Plan

This is the first review of the IDP as adopted by Council in May 2017. It started in September 2017 after the tabling of the IDP Process Plan and the Budget Time Schedule for the 2018/19 MTREF in August.

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fourth revision cycle included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2018/19 MTREF, based on the approved 2017/18 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2018/19 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2017/18 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

2.1.3 Community Consultation

The draft 2018/19 MTREF as tabled before Council on 28 March 2018 for community consultation was published on the municipality's website, and hard copies were made available at municipal offices, municipal notice boards and various libraries

All documents in the appropriate format (electronic and printed) were provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

Ward Committees were utilized to facilitate the community consultation process during April and May 2017, and included several public briefing sessions. The applicable dates and venues were published in all the local newspapers and a good average attendance was recorded per meeting. This can be attributed to the additional initiatives that were launched during the consultation process, including the specific targeting of ratepayer associations. Individual sessions were scheduled with organized business and imbizo's were held to further ensure transparency and interaction. Other stakeholders involved in the consultation included churches, non-governmental institutions and community-based organizations.

Submissions received during the community consultation process and additional information regarding revenue and expenditure and individual capital projects were addressed, and where relevant considered as part of the finalization of the 2018/19 MTREF. Feedback and responses to the submissions received are available on request.

2.2 Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilize integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five-year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the City, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the City strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the City's response to these requirements.

Cooperative governance means that three spheres of government should work together to provide citizens with a comprehensive package of services. The Constitution states that the three spheres of government have to assist and support each other, share information and coordinate their efforts. Implementation of policies and government programmes require close cooperation between spheres of government especially at executive level. RWCLM strategic objectives are informed by the Sustainable Development Goals (SDGs), National Development Plan (NDP), National Outcomes, Back to Basics (B2B) - Ten Point Plan approach as well as the Gauteng Transformation, Modernisation and Re-industrialisation (TMR) Objectives. All the above concerted efforts are depicted the strategies phase which forms the basis of this document.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2018/18 MTREF and further planning refinements that have directly informed the compilation of the budget:

IDP Strategic Objectives

- Develop business excellence through a learning organisation
- To ensure provision of basic services to build sustainable and safe communities
- To accelerate an inclusive growing green economy
- To ensure financially viable and sustainable municipality
- clean and accountable government for sustainable local communities
- To promote integrated sustainable development planning for the future

The Municipality has through its strategic planning and public participation processes ensured that the Municipal Strategic Priorities were unpacked by developing Key Performance Areas (KPAs), Programmes, Objectives, Key Performance Indicators (KPIs) and Targets for each of the KPAs and programmes.

The said Objectives, Indicators and Targets have been aligned to the National Priority Outputs, WRDM District context and where possible and will form the basis for the development of the Municipality's Service Delivery and Budget Implementation Plan (SDBIP) and Annual Performance Plans of Senior Management for the 2018/19 financial year. The table below provides a high level Municipal alignment with its strategic goals and the National Priorities/ KPA and programmes.

able 233 Strategic alignment between national, provincial, district and local priorities

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme responds to the development challenges and opportunities faced by the municipality by identifying the key performance areas to achieve the five the strategic objectives

mentioned above

SDGs	NDP	National KPA	GCR	WRDM	RWCLM – Strategic goal
Peace, justice & strong institutions	Building Capable and Developmental State	KPA 1 Municipal Transformation and Organisational Development	Strengthening the developmental state and good Governance	5. Business excellence within the WRDM	Develop business excellence through a learning organisation
Industry innovation & infrastructure	Economic Infrastructure	KPA 2: Infrastructure Development and Service Delivery	Building cohesive and sustainable communities	1. Regional Planning and economic Development 2. Health and Social Development	To ensure the provision of basic services to build sustainable and safe communities
Decent work & economic growth	Economy and Employment	KPA 3 Local Economic Development (LED)	Creating decent work and building a growing economy Inclusive economy	1. Regional Planning and economic Development	To promote and accelerate an inclusive growing green economy
Peace, justice & strong institutions	Building Capable and Developmental State	KPA 4 Municipal Financial Viability and Management	Strengthening the developmental state and good Governance	5. Business excellence within the WRDM	To ensure financially viable and sustainable municipality
Peace, justice & strong institutions	Building Capable and Developmental State	KPA 5 Good Governance and Public Participation	Strengthening the developmental state and good Governance	4. Sustainable Governance for Local Communities	To provide a democratic, clean and accountable for sustainable local communities

Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the compilation of the fourth revised IDP, including:

- Strengthening the analysis and strategic planning processes of the Municipality;
- Initiating zonal planning processes that involve the communities in the analysis and planning processes. More emphasis was placed on area based interventions, within the overall holistic framework;
- Ensuring better coordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and
- Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.

The 2018/19 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Table 24 MBRR Table SA4 – Reconciliation between the IDP strategic objectives and budgeted revenue

Strategic Objective	Goal	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
KPA 1 Municipal Transformation and Organisational Development	Develop business excellence through a learning organisation	27,049	5,100	1,508	1,508	1,657	1,763	1,876
KPA 2 :Infrastructure Development and Service Delivery	To ensure the provision of basic services to build sustainable and safe communities	1,042,818	1,051,118	1,088,395	1,088,395	1,186,341	1,262,267	1,343,052
KPA 3 LED	To promote and accelerate an inclusive growing green economy	15,369	15,801	14,759	14,759	16,232	17,271	18,376
KPA 4 Municipal Financial Viability and Management	To ensure financially viable and sustainable municipality	349,496	327,089	359,695	359,695	383,396	407,934	434,042
KPA 5 Good Governance and Public Participation	To provide a democratic, clean and accountable government for sustainable local communities	2,000	179,863	270,530	270,530	331,132	276,767	288,120
KPA 6 Spatial Analysis	To promote integrated sustainable development planning for the future	122,987	132,309	145,297	145,297	155,223	165,158	175,728
Allocations to other priorities								
Total Revenue (excluding capital transfers and contributions)		1,559,719	1,711,280	1,880,183	1,880,183	2,073,982	2,131,159	2,261,194

Table 25 MBRR Table SA5 – Reconciliation between the IDP strategic objectives and budgeted operating expenditure

Strategic Objective	Goal	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
KPA 1 Municipal Transformation and Organisational Development	Develop business excellence through a learning organisation	101,917	107,809	109,488	109,488	126,200	134,277	142,871
KPA 2 :Infrastructure Development and Service Delivery	To ensure the provision of basic services to build sustainable and safe communities	953,266	970,585	1,004,000	1,004,000	1,103,962	1,174,616	1,249,791
KPA 3 LED	To promote and accelerate an inclusive growing green economy	66,124	22,265	21,731	21,731	29,406	31,288	33,291
KPA 4 Municipal Financial Viability and Management	To ensure financially viable and sustainable municipality	118,803	117,636	153,460	153,460	149,447	159,012	169,189
KPA 5 Good Governance and Public Participation	To provide a democratic, clean and accountable government for sustainable local communities	88,799	91,800	95,012	95,012	97,994	104,266	110,939
KPA 6 Spatial Analysis	To promote integrated sustainable development planning for the future	202,310	238,750	234,922	234,922	261,308	278,031	295,825
Allocations to other priorities								
Total Expenditure		1,531,218	1,548,845	1,618,612	1,618,612	1,768,318	1,881,490	2,001,905

2.3 Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the City has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

Figure 4 Planning, budgeting and reporting cycle

The performance of the municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The municipality therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).

The performance information concepts used by the municipality in its integrated performance management system are aligned to the ***Framework of Managing Programme Performance Information*** issued by the National Treasury:

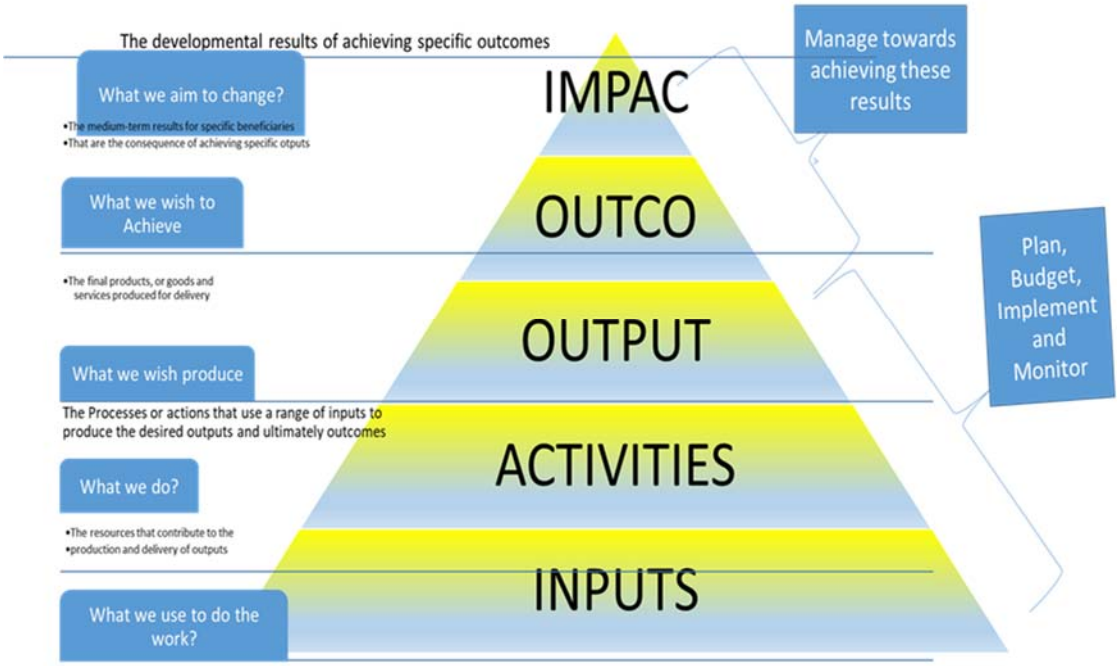

The developmental results of achieving specific outcomes
What we aim to change?
•The medium-term results for specific beneficiaries
•That are the consequence of achieving specific otputs
What we wish to Achieve
•The final products, or goods and services produced for delivery
What we wish produce
The Processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes
What we do?
•The resources that contribute to the
•production and delivery of outputs
What we use to do the work?
IMPAC
OUTCO
OUTPUT
ACTIVITIES
INPUTS
Manage towards achieving these results
Plan, Budget, Implement and Monitor

Table 26 MBRR Table SA7 – Measureble performance objectives

GT485 Rand West City - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Vote 1 - Municipal Management Office							
Conduct initiatives to ensure accountable Municipal Administration within the Rand West City Local Municipality (RWCLM)	Percentage	100%	100%	100%	100%	100%	100%
Basic Service Delivery	Percentage	100%	100%	100%	100%	100%	100%
Skilled, Capacitated , Competent and Motivated Workforce	Percentage	100%	100%	100%	100%	100%	100%
Ethical Administration and Good Governance	Percentage	100%	100%	100%	100%	100%	100%
To ensure safer communities within Rand West City	Number	6	6	6	6	6	6
Co-ordinate the capacity for ECDC in RWCLM	Number	2	2	2	2	2	2
Co-ordinate the training for ECDC practitioners	Number	8	8	8	8	8	8
Ensure healthy communities in the RWCLM	Number	3	3	3	3	3	3
Compilation of RWCLM Land Use Scheme	Number	1	1	1	1	1	1
Ensure Healthy and united social cohesive communities	Percentage	100%	100%	100%	100%	100%	100%
Creating conducive environment for unemployment reduction	Percentage	100%	100%	100%	100%	100%	100%
Economic Development	Percentage	100%	100%	100%	100%	100%	100%
Financial Administration	Number	4	4	4	4	4	4
Institutional Planning and Transformation	Percentage	80%	80%	80%	80%	80%	80%
Vote 2 - Infrastructure Service							
Function 1 - Electricity and Energy Services							
Effective maintenance of Electricity Infrastructure	Percentage	100%	100%	100%	100%	100%	100%
Development of Electricity Master Plan	Number	1	1	1	1	1	1
Function 2 - Infrastructure Planning and Programme Management Unit							
Planning and Implementation of Infrastruture projects	Percentage						
Function 3 - Office of the EM							
Function 4 - Roads and Stromwater							
Conducting Road Repair and Maintenance Activities	Percentage	100%	100%	100%	100%	100%	100%
Function 5 - Sanitation and Purification Works							
Implementation of planned Sanitation Activities	Percentage	70%	70%	70%	70%	70%	70%
Function 6 - Water							
Planning and Provision of Water Infrastructure	Percentage	100%	100%	100%	100%	100%	100%
Compliance to Water Quality Standards	Number	4	4	4	4	4	4
Measurement of Water Distribution Losses	Number	4	4	4	4	4	4
Development of Draft Water and Sanitation Master Plan	Number	1	1	1	1	1	1
Vote 3 - Community Services							

Function 1 - Parks & Cemetries							
Function 2 - Environmental Management							
Monitor Compliance	Number	4	4	4	4	4	4
Review of air quality plan	Number	1	1	1	1	1	1
Climate change adaptation and mitigation initiatives	Number	1	1	1	1	1	1
Compliance to Environmental Planning	Number	1	1	1	1	1	1
Ensure quality waste management	Number	2	2	2	2	2	2
Function 3 - Law Enforcement							
Sub-function 1 - Public Safety							
Ensure effective traffic management	Number	5	5	5	5	5	5
Function 4 - Libraries & Library Grant							
Implementation of library programmes	Number	4	4	4	4	4	4
Provision of the required library infrastructure	Number	3	3	3	3	3	3
Capacitating Libraries	Number	14	14	14	14	14	14
Function 5 - Licencing and Vehicle Registration							
Calibration of vehicle testing equipment	Number	1	1	1	1	1	1
Review of Service Level Agreement with the Department of Transport	Number	1	1	1	1	1	1
Function 6 - Office of the EM Community Services							
Provide pro-active and reactive Disaster Management Services	Number	1	1	1	1	1	1
Develop a Disaster Management Plan	Number	1	1	1	1	1	1
Function 7 - Road Markings and Security							
Ensuring safer communities within RWCLM	Number	6	6	6	6	6	6
Function 8 - Social Services							
Compliance Monitoring of operations at ECD Centers	Number	50	50	50	50	50	50
Coordinating health programmes	Number	1	1	1	1	1	1
Monitor the implementation of Social Cohesion Initiatives / Programmes	Number	6	6	6	6	6	6
Provide education on prevention of HIV & AIDS at household level	Number	1	1	1	1	1	1
Function 9 - Sports, Recreation, Arts, Culture and Heritage							
Promote Sport and Recreation Programmes	Number	4	4	4	4	4	4
Promotes Arts, culture and Heritage Programmes	Number	2	2	2	2	2	2
Vote 4 - Economic Development and Planning							
Function 1 - Farm Management							
Conduct Farmers Expo	Number	4	4	4	4	4	4
Farmer Support Initiatives	Number	300 ha	300 ha	300 ha	300 ha	300 ha	300 ha
Function 2 - Human Settlement							
Co-ordination of Human Settlement Projects	Number	4	4	4	4	4	4
Management of Municipal Investment Properties	Number	1	1	1	1	1	1
Provision of Sustainable Human Settlements	Percentage	100%	100%	100%	100%	100%	100%
Refurbishment of Madala Hostel	Percentage	100%	100%	100%	100%	100%	100%
Containers for temporary residential units	Number	244	244	244	244	244	244
Township establishment process	Percentage	100%	100%	100%	100%	100%	100%
Function 3 - Local Economic Development							

Job creation through LED initiatives	Number	1000	1000	1000	1000	1000	1000
Economic Development	Percentage	100%	100%	100%	100%	100%	100%
Promote regional Economic Development and Growth	Percentage	100%	100%	100%	100%	100%	100%
Development of LED strategy	Number	1	1	1	1	1	1
SMME Support Programmes	Percentage	100%	100%	100%	100%	100%	100%
Stimulate Township and Local Economy	Number	11	11	11	11	11	11
Agriparks Programme	Number	4	4	4	4	4	4
Function 4 - Spatial Planning and Land Use Management							
Compliance to SPLUMA	Percentage	100%	100%	100%	100%	100%	100%
Compliance to National Building Regulations	Percentage	100%	100%	100%	100%	100%	100%
Development of LED strategy	Number	1	1	1	1	1	1
SMME Support Programmes	Percentage	100%	100%	100%	100%	100%	100%
Stimulate Township and Local Economy	Number	11	11	11	11	11	11
Agriparks Programme	Number	4	4	4	4	4	4
Land Purchases	Number	1	1	1	1	1	1
Vote 5 - Office Of the COO							
Function 1 - Institutional Performance Management							
Ensure legislative compliance and governance	Number	1	1	1	1	1	1
Performance Management	Percentage	100%	100%	100%	100%	100%	100%
Compile and sign off SDBIPs	Number	2	2	2	2	2	2
Compilation of Performance Agreements for MM and Section 57 Managers	Number	20	20	20	20	20	20
Submission of Quarterly Performance Reports	Number	4	4	4	4	4	4
Co-ordinate Performance Assessments	Number	2	2	2	2	2	2
Compile and submit Annual Report	Number	1	1	1	1	1	1
Compile and submit Oversight Report	Number	1	1	1	1	1	1
Function 2 - Intergrated Development Planning							
Orgarnisational planning	Percentage	100%	100%	100%	100%	100%	100%
Tabling of the IDP process to council	Number	1	1	1	1	1	1
Co-ordinate IDP Public Participation	Number	2	2	2	2	2	2
Co-ordinate sector engagement meeting	Number	5	5	5	5	5	5
Function 3 - Risk Management Services							
Assessment of Risk Maturity Level	Number	2.8	2.8	2.8	2.8	2.8	2.8
Perform annual strategic risk assessment	Number	1	1	1	1	1	1
Vote 6 - Financial Management Services							
Function 1 - Revenue Protection and Enhancement							
Completion of a Municipal Revenue Enhancement and turnaround Strategy	Number	1	1	1	1	1	1
Implementation of Debt Collection	Percentage	5%	5%	5%	5%	5%	5%
Function 2 - Asset Management Services							
Effective Asset Management	Number	1	1	1	1	1	1
Conduct Annual Verification of Assets	Number	1	1	1	1	1	1
Monthly Reconciliations of Asset Register	Number	12	12	12	12	12	12
Function 3 - Budget Management Services							
Credible and Accurate Budgeting	Number	2	2	2	2	2	2
Budget process plan	Number	1	1	1	1	1	1
Compliance with mSCOA	Number	4	4	4	4	4	4
Function 4 - Expenditure Management Services							

Timeous Payments of Salaries and Statutory Obligations	Number	12	12	12	12	12	12
Reconciliation of Salaries	Number	12	12	12	12	12	12
Reconciliation of Creditors	Number	12	12	12	12	12	12
Perform Bank Reconciliations	Number	12	12	12	12	12	12
Compilation and Submission of VAT Returns	Number	12	12	12	12	12	12
Function 5 - Office of the CFO							
Financial Accounting Controls	Number	12	12	12	12	12	12
Financial Controls and Reporting	Number	12	12	12	12	12	12
Sound Financial Management	Number	1	1	1	1	1	1
Resolved of prior year Audit findings	Percentage	80%	80%	80%	80%	80%	80%
OPCA Process	Percentage	100%	100%	100%	100%	100%	100%
Function 6 - Revenue Management Services							
Expanding new revenue sources	Number	1	1	1	1	1	1
Revenue levied v/s collected	Number	4	4	4	4	4	4
To improve actual meter reading	Percentage	85%	85%	85%	85%	85%	85%
Revenue Collected vs. Billing	Percentage	92%	92%	92%	92%	92%	92%
Accurate billing of water consumption	Number	12	12	12	12	12	12
Decrease in Non Revenue (Water and Electricity)	Number	12	12	12	12	12	12
Function 7 - Supply Chain Management Services							
Compliance to Supply Chain Management Processes	Number	1	1	1	1	1	1
Request for quotations completed within 30 working days	Percentage	100%	100%	100%	100%	100%	100%
Delivery against the Procurement Plan	Percentage	100%	100%	100%	100%	100%	100%
Compilation of Procurement Plan Annually	Number	1	1	1	1	1	1
Sourcing of goods and services from local suppliers	Percentage	100%	100%	100%	100%	100%	100%
Supply Chain Management Controls in place	Number	4	4	4	4	4	4
Contract Management	Number	4	4	4	4	4	4
Vote 7 - Corporate Support Services							
Function 1 - Human Resources							
Sub-function 1 - Human Resource Management							
Development of HR Polcies	Number	14	14	14	14	14	14
Development of HR Strategy	Percentage	100%	100%	100%	100%	100%	100%
Review of Organisational Structure	Number	1	1	1	1	1	1
Development Of Job Descriptions	Percentage	100%	100%	100%	100%	100%	100%
Filling of Priotirised funded Vacancies	Percentage	90%	90%	90%	90%	90%	90%
Sub-function 2 - Human Resource Development							
EMs Minimum Competencies Compliance	Number	4	4	4	4	4	4
Workplace Skills Plan and Annual Training Report	Number	4	4	4	4	4	4
Improved Labour Relations Management	Number	12	12	12	12	12	12
Development of Employment Equity Plan	Percentage	100%	100%	100%	100%	100%	100%
EE Compliance	Number	1	1	1	1	1	1
Sub-function 3 - Employee Wellness							
Employee Wellness Strategy developed	Number	1	1	1	1	1	1
Sub-function 4 - Occupational Health and Safety							
Development of an OHS Plan	Number	2	2	2	2	2	2
Review of OHS Policy	Number	1	1	1	1	1	1
Review of OHS Plan	Number	1	1	1	1	1	1

Function 2 - Administration							
Efficient corporate support services	Number	4	4	4	4	4	4
Implementation of Council Resolution	Number	4	4	4	4	4	4
Development Of Year Planner for Council, Mayor and Section 80 Committees	Number	1	1	1	1	1	1
Records and Archive Management	Number	4	4	4	4	4	4
Function 3 - Legal Services							
Annual Review of System of Delegation	Number	1	1	1	1	1	1
Quarterly Litigation and Contingent liability Reports	Number	4	4	4	4	4	4
Responsive Legal Services to Audit Committee	Number	4	4	4	4	4	4
Function 4 - Facilities Management							
Development of Facilities Management Plan	Number	1	1	1	1	1	1
Procurement of Electronic Complaint and Booking Systems	Number	2	2	2	2	2	2
Management of Building Complaints	Percentage	40%	40%	40%	40%	40%	40%
Conduct Facilties Management	Percentage	100%	100%	100%	100%	100%	100%
Fencing of Civic Centre	Percentage	100%	100%	100%	100%	100%	100%
Maintenace of Toekomsrus Offices	Percentage	100%	100%	100%	100%	100%	100%
Function 5 - Fleet Management							
Development and Approval of Fleet Management Policy	Percentage	100%	100%	100%	100%	100%	100%
Ensure Compliance to Vehicle Maintenance Standards	Percentage	100%	100%	100%	100%	100%	100%
Rollout of full vehicle maintenance lease contract	Percentage	100%	100%	100%	100%	100%	100%
Development of Fleet Management Plan	Number	1	1	1	1	1	1
Vote 8 - Chief Information Officer							
Function 1 - ICT							
Development of the ICT Backup and Disaster Recovery Plan.	Number	1	1	1	1	1	1
Development of ICT Governance Framework	Number	1	1	1	1	1	1
Development of ICT Master plan	Number	1	1	1	1	1	1
Percentage of the allocated budget for procurement of laptops and desktops	Percentage	100%	100%	100%	100%	100%	100%
Function 2 - Marketing							
Corporate Communication and Branding	Percentage	100%	100%	100%	100%	100%	100%
Implementation of the Communication Plan	Number	1	1	1	1	1	1
Develop & Distribution of Quarterly News Letters	Number	4	4	4	4	4	4
Circulation of Media Statements	Number	4	4	4	4	4	4
Conduct Marketing Campaigns	Number	4	4	4	4	4	4
Vote 9 - Internal Audit							
Function 1 - Assurance Engagements							
Internal Audit 3 year rolling Risk Based Plan developed	Number	1	1	1	1	1	
Good Governance	Number	4	4	4	4	4	4
Provide assurance on the adequacy and effectiveness of the Internal Controls	Number	4	4	4	4	4	4
Function 2 - Corporate Ethics							
Ethical Administration and Good Governance	Percentage	100%	100%	100%	100%	100%	100%
Corruption Free Municipal Environment	Percentage	80%	80%	80%	80%	80%	80%
Anti-Corruption Programmes	Number	1	1	1	1	1	1
Training of Ethics Working Group	Number	1	1	1	1	1	1
Community Anti-Corruption Initiatives	Percentage	100%	200%	300%	400%	500%	600%
Ethics Management Maturity Assessments	Number	1	1	1	1	1	1

Vote 10 - Political Office & IGR							
Function 1 - Municipal Public Accounts Services							
MPAC meetings	Number	4	4	4	4	4	4
Oversight Report	Number	1	1	1	1	1	1
Function 2 - Office of the Chief Whip							
Compilation of Performance Agreements for Members of Mayoral Committee	Number	10	10	10	10	10	10
Function 3 - Office of the Mayor							
Implement programmes to Maintain Active Citizenry	Percentage	100%	100%	100%	100%	100%	100%
Ensure compliance to Environmental Legislation	Number	1	1	1	1	1	1
IGR Forums	Percentage	100%	100%	100%	100%	100%	100%
Bringing about Social Cohesion and Promoting Nation Building and National Identity in Rand West City Local Municipality	Number	8	8	8	8	8	8
Implementation of Gender Empowerment Programmes	Number	2	2	2	2	2	2
Implementation of Youth Empowerment Programmes	Number	4	4	4	4	4	4
Deepening Democracy through an Integrated Stakeholder Relations Programmes	Number	4	4	4	4	4	4
Management of Mayor's Education Trust	Number	1	1	1	1	1	1
Function 4 - Office of the Speaker							
Improved Stakeholder Relations in Rand West City Local Municipality (RWCLM) Cooperative Governance	Percentage	100%	100%	100%	100%	100%	100%
	Number	12	12	12	12	12	12
Deepening Democracy through an Integrated Stakeholder Relations Programmes	Number	70	70	70	70	70	70
Conduct Training Workshops for Councilors	Number	2	2	2	2	2	2
Function 5 - War Room							
Service delivery improvement through effective customer care	Percentage	100%	100%	100%	100%	100%	100%
Development of Service Delivery Charter	Number	1	1	1	1	1	1

The following table sets out the municipalities main performance objectives and benchmarks for the 2018/19 MTREF

Table 27 MBRR Table SA8 – Performance indicators and benchmarks

GT485 Rand West City - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Borrowing Management								
Credit Rating								
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	5.2%	0.6%	0.6%	1.2%	0.6%	0.5%	0.5%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	7.6%	0.8%	0.7%	1.4%	0.7%	0.6%	0.6%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital								
Gearing	Long Term Borrowing/ Funds & Reserves	139.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity								
Current Ratio	Current assets/current liabilities	0.5	0.8	0.6	0.6	0.8	0.9	1.0
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.5	0.8	0.6	0.6	0.8	0.9	1.0
Liquidity Ratio	Monetary Assets/Current Liabilities	0.2	0.4	0.3	0.1	0.3	0.3	0.4
Revenue Management								
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	0.0%	84.8%	95.5%	86.9%	86.9%	90.1%	93.1%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		84.7%	95.5%	86.9%	86.9%	90.0%	93.0%	93.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	16.3%	16.9%	13.9%	19.4%	16.2%	16.2%	16.1%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old							
Creditors Management								
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA' s 65(e))							
Creditors to Cash and Investments		427.5%	196.1%	214.7%	488.4%	237.7%	98.3%	55.9%

Other Indicators								
Electricity Distribution Losses (2)	Total Volume Losses (kW)							
	Total Cost of Losses (Rand '000)							
	% Volume (units purchased and generated less units sold)/units purchased and generated							
Water Distribution Losses (2)	Total Volume Losses (kℓ)							
	Total Cost of Losses (Rand '000)							
	% Volume (units purchased and generated less units sold)/units purchased and generated							
Employee costs	Employee costs/(Total Revenue - capital revenue)	31.8%	31.5%	30.3%	30.3%	29.8%	29.8%	29.6%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	0.0%	31.5%	30.3%		29.8%	29.8%	29.8%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	5.4%	4.7%	0.0%		5.7%	5.4%	5.1%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	19.8%	11.6%	11.1%	11.1%	10.6%	10.6%	10.5%
IDP regulation financial viability indicators	-							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	44.8	43.8	43.8	46.4	49.4	49.4	52.6
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	21.7%	22.4%	18.0%	25.3%	21.1%	21.1%	21.1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	1.3	2.5	2.2	0.8	1.4	2.9	4.5

References

1. Consumer debtors > 12 months old are excluded from current assets

2. Only include if services provided by the municipality

Calculation data							
Debtors > 90 days							
Monthly fixed operational expenditure	102,039	106,162	111,877	111,070	122,088	130,109	138,436
Fixed operational expenditure % assumption	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%

Own capex	–	–	14,200	14,200	15,271	–	–
Borrowing	–	–	–	–	–	–	–

2.3.1 Performance indicators and benchmarks

2.3.1.1 Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, Rand West City's borrowing strategy is primarily informed by the affordability of debt repayments. The structure of the City's debt portfolio is dominated by annuity loans. The following financial performance indicators have formed part of the compilation of the 2018/19 MTREF:

- *Borrowing to asset ratio* is a measure of the long-term borrowing as a percentage of the total asset base of the municipality.
- *Capital charges to operating expenditure* is a measure of the cost of borrowing in relation to the operating expenditure.
- *Borrowing funding of own capital expenditure* measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing.

The City's debt profile provides some interesting insights on the City's future borrowing capacity. Firstly, the use of amortizing loans leads to high debt service costs at the beginning of the loan, which declines steadily towards the end of the loan's term. The City has raised mainly amortising loans over the past five years, hence effectively 'front-loading' its debt service costs.

In summary, various financial risks could have a negative impact on the future borrowing capacity of the municipality. In particular, the continued ability of the City to meet its revenue targets and ensure its forecasted cash flow targets are achieved will be critical in meeting the repayments of the debt service costs.

2.3.1.2 Safety of Capital

- *The debt-to-equity ratio* is a financial ratio indicating the relative proportion of equity and debt used in financing the municipality's assets. The indicator is based on the total of loans, creditors, and overdraft and tax provisions as a percentage of funds and reserves.
- *The gearing ratio* is a measure of the total long term borrowings over funds and reserves.

2.3.1.3 Liquidity

- *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the City has set a limit of 1, hence at no point in time should this ratio be less than 1. Going forward it will be necessary to maintain these levels.
- *The liquidity ratio* is a measure of the ability of the municipality to utilise cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations.

2.3.1.4 Revenue Management

- As part of the financial sustainability strategy, an aggressive revenue management framework has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, credit control and debt collection.

2.3.1.5 Creditors Management

- While the liquidity ratio is of concern, by applying daily cash flow management the municipality has managed to ensure a 100 per cent compliance rate to this legislative obligation.

2.3.1.6 Other Indicators

- Employee costs as a percentage of operating revenue continues to decrease over the MTREF. This is primarily owing to the high increase in bulk purchases which directly increase revenue levels, as well as increased allocation relating to operating grants and transfers.

- Similar to that of employee costs, repairs and maintenance as percentage of operating revenue is also decreasing owing directly to cost drivers such as bulk purchases increasing far above inflation. In real terms, repairs and maintenance has increased as part of the City's strategy to ensure the management of its asset base.

2.3.2 Free Basic Services: basic social services package for indigent households

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the City. With the exception of water, only registered indigents qualify for the free basic services.

For the 2018/19, financial year 11 000 registered indigents have been provided for in the budget with this figured increasing to 15 000 by 2020/21. In terms of the Municipality's indigent policy registered households are entitled to 6kℓ fee water, 50 kwh of electricity, free sanitation and free waste removal equivalent to 85ℓ once a week, as well as a discount on their property rates.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table 22 MBRR A10 (Basic Service Delivery Measurement).

Note that the number of households in informal areas that receive free services and the cost of these services (e.g. the provision of water through stand pipes, water tankers, etc.) are not taken into account in the table noted above.

2.4 Overview of budget related-policies

The Rand West City Local Municipality had to develop a set of comprehensive budget-related policies to ensure an effective policy framework is established to govern the financial management affairs of the newly established municipality.

Several policy workshops were held with officials and councilors to discuss the financial

management policies and to receive inputs and comments.
The following budget-related policies are attached to this report and therefore submitted to Council for consideration and approval:

- Bad Debt Write Off policy
- Borrowing Policy
- Budget Policy
- Capital Planning project policy
- Cash and Investments Policy
- Contract Management Policy
- Credit Control and Debt Collection Policy
- Fixed Asset Management Policy
- Funding and Reserves Policy
- Indigent Support Policy
- Inventory Policy
- Insurance Policy
- Irregular, Unauthorized, Fruitless and Wasteful Expenditure Policy
- Long Term Financial Planning Policy
- Property Rates Policy
- Supply Chain Management Policy
- Tariff Policy
- Unclaimed deposit policy
- Virement Policy

2.5 Overview of budget assumptions

2.5.1 External factors

Owing to the global and national economic slowdown, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the municipality's finances.

2.5.2 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2018/19 MTREF:

- National Government macro economic targets;
- The general inflationary outlook and the impact on City's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity and water; and
- The increase in the cost of remuneration. Employee related costs comprise 32 per cent of total operating expenditure in the 2018/19 MTREF and therefore this increase above inflation places a disproportionate upward pressure on the expenditure budget. The wage agreement SALGBC concluded with the municipal workers unions must be noted.

2.5.3 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilized to fund capital or refinancing of borrowing in certain conditions. The municipality engages in a number of financing arrangements to minimize its interest rate costs and risk. However, for simplicity the 2018/19 MTREF is based on the assumption that all borrowings are undertaken using fixed interest rates for amortization-style loans requiring both regular principal and interest payments. As part of the compilation of the 2018/19 MTREF the potential of smoothing out the debt profile over the long term will be investigated.

2.5.4 Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate slightly higher that CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage (90 per cent) of annual billings. Cash flow is assumed to be 90 per cent of billings, plus an increased collection of arrear debt from the revised collection and credit control policy. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

2.5.5 Growth or decline in tax base of the municipality

Debtors revenue is assumed to increase at a rate that is influenced by the consumer debtors collection rate, tariff/rate pricing, real growth rate of the municipality, household formation growth rate and the poor household change rate.

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' limits consumption to the level of free basic services.

2.5.6 Salary increases

The salaries/wages discussion is still under discussion. Provision is made of 7% in the 2018/19 financial year.

2.5.7 Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focused service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and

- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

2.5.8 Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 97 per cent is achieved on operating expenditure and 98 per cent on the capital programme for the 2018/19 MTREF of which performance has been factored into the cash flow budget.

2.6 Overview of budget funding

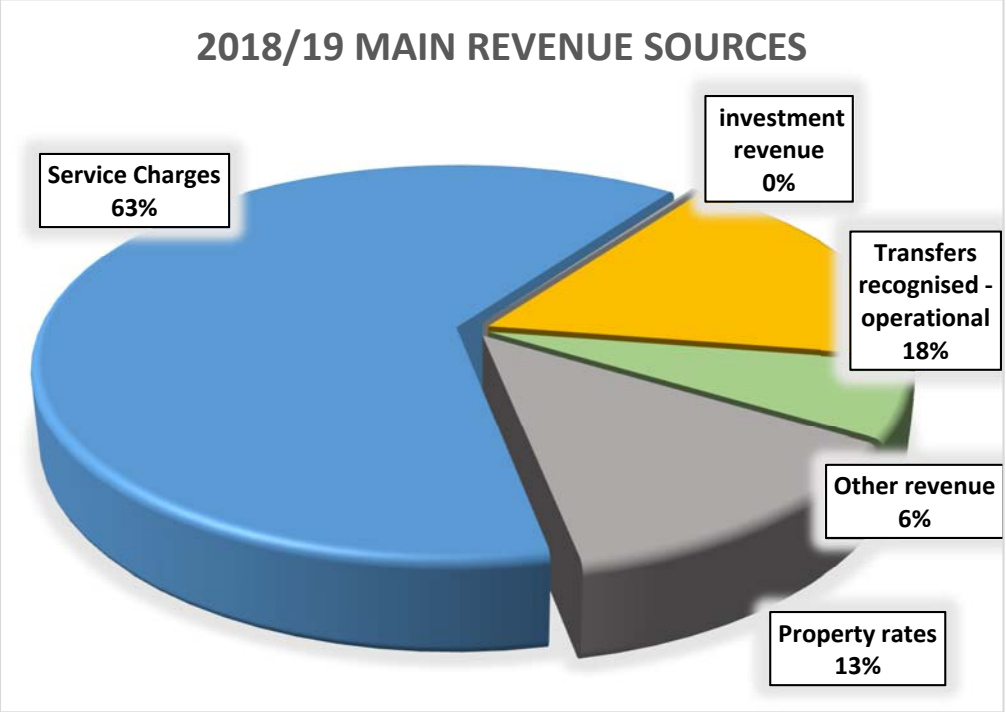
2.6.1 Medium-term outlook : operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

Table 28 Breakdown of the operating revenue over the medium-term

Description	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
R thousand	Original Budget	Adjusted Budget	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Financial Performance						
Property rates	192,778	220,403	220,403	234,508	249,517	265,486
Service Charges	972,705	1,028,369	1,028,369	1,113,664	1,184,939	1,261,246
Rental of facilities and equipment	3,626	2,583	2,583	2,841	3,023	3,216
Interest earned - external investments	3,193	3,193	3,193	3,398	3,615	3,847
Interest earned - outstanding debtors	18,509	24,509	24,509	26,077	27,746	29,522
Dividends received	50	50	50	53	57	60
Fines, penalties and forfeits	16,437	18,599	18,599	18,599	19,789	21,056
Licenses and permits	86	86	86	91	97	103
Agency services	28,365	28,365	28,365	30,181	32,112	34,167
Transfers and subsidies	283,054	278,454	278,454	307,469	329,432	359,513

Other revenue	35,842	28,262	28,262	31,506	33,523	35,668
Total Revenue	1,554,645	1,632,872	1,632,872	1,768,388	1,883,850	2,013,884



2.6.2 Funding compliance measurement

National Treasury requires that the Municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial positions and cash flows. The funding compliances measures table essentially measure the degree to which the proposed budget complies with the funding requirement of the MFMA. Each of the measures is discussed below:

Table 29 MBRR SA 10 – Funding compliance measurement

GT485 Rand West City - Table A10 Basic
service delivery measurement

Description	Ref	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Household service targets	1						
Water:							
Piped water inside dwelling		41,108	41,108	41,108	41,108	41,108	41,108
Piped water inside yard (but not in dwelling)		9,127	9,127	9,127	9,127	9,127	9,127
Using public tap (at least min.service level)	2	16,883	16,883	16,883	16,883	16,883	16,883
Other water supply (at least min.service level)	4	35,670	35,670	35,670	35,670	35,670	35,670
Minimum Service Level and Above sub-total		102,788	102,788	102,788	102,788	102,788	102,788
Using public tap (< min.service level)	3	–	–	–	–	–	–
Other water supply (< min.service level)	4	97	97	97	97	97	97
No water supply		–	–	–	–	–	–
Below Minimum Service Level sub-total		97	97	97	97	97	97
Total number of households	5	102,885	102,885	102,885	102,885	102,885	102,885
Sanitation/sewerage:							
Flush toilet (connected to sewerage)		24,930	24,930	24,930	24,930	24,930	24,930
Flush toilet (with septic tank)		735	735	735	735	735	735
Chemical toilet		601	601	601	601	601	601
Pit toilet (ventilated)		1,000	1,000	1,000	1,000	1,000	1,000
Other toilet provisions (> min.service level)		100	100	100	100	100	100
Minimum Service Level and Above sub-total		27,366	27,366	27,366	27,366	27,366	27,366
Bucket toilet		–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	–	–	–	–	–
No toilet provisions		550	550	550	550	550	550
Below Minimum Service Level sub-total		550	550	550	550	550	550
Total number of households	5	27,916	27,916	27,916	27,916	27,916	27,916
Energy:							
Electricity (at least min.service level)		40,720	40,720	40,720	40,720	40,720	40,720
Electricity - prepaid (min.service level)		5,720	5,720	5,720	5,720	5,720	5,720
Minimum Service Level and Above sub-total		46,440	46,440	46,440	46,440	46,440	46,440

Electricity (< min.service level)		15,000	15,000	15,000	15,000	15,000	15,000
Electricity - prepaid (< min. service level)		–	–	–	–	–	–
Other energy sources		–	–	–	–	–	–
Below Minimum Service Level sub-total		15,000	15,000	15,000	15,000	15,000	15,000
Total number of households	5	61,440	61,440	61,440	61,440	61,440	61,440
Refuse:							
Removed at least once a week		41,235	41,235	41,235	41,235	41,235	41,235
Minimum Service Level and Above sub-total		41,235	41,235	41,235	41,235	41,235	41,235
Removed less frequently than once a week		547	547	547	547	547	547
Using communal refuse dump		2,865	2,865	2,865	2,865	2,865	2,865
Using own refuse dump		11,523	11,523	11,523	11,523	11,523	11,523
Other rubbish disposal		720	720	720	720	720	720
No rubbish disposal		124	124	124	124	124	124
Below Minimum Service Level sub-total		15,779	15,779	15,779	15,779	15,779	15,779
Total number of households	5	57,014	57,014	57,014	57,014	57,014	57,014
Households receiving Free Basic Service	7						
Water (6 kilolitres per household per month)		–	–	–	–	–	–
Sanitation (free minimum level service)		–	–	–	–	–	–
Electricity/other energy (50kwh per household per month)		–	–	–	–	–	–
Refuse (removed at least once a week)		–	–	–	–	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)	8						
Water (6 kilolitres per indigent household per month)		4,658	4,658	4,658	5,226	5,561	5,916
Sanitation (free sanitation service to indigent households)		–	–	–	–	–	–
Electricity/other energy (50kwh per indigent household per month)		6,474	6,474	6,474	6,916	7,359	7,359
Refuse (removed once a week for indigent households)		14,743	14,743	14,743	15,686	16,690	17,758
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	–	–	–
Total cost of FBS provided		25,874	25,874	25,874	27,829	29,610	31,034
Highest level of free service provided per household							
Property rates (R value threshold)							
Water (kilolitres per household per month)							
Sanitation (kilolitres per household per month)							
Sanitation (Rand per household per month)							
Electricity (kwh per household per month)							
Refuse (average litres per week)							
Revenue cost of subsidised services provided (R'000)	9						

Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)							
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		41,111	41,111	41,111	43,742	46,541	49,520
Water (in excess of 6 kilolitres per indigent household per month)		–	–	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)		–	–	–	–	–	–
Electricity/other energy (in excess of 50 kwh per indigent household per month)		5,838	–	–	–	–	–
Refuse (in excess of one removal a week for indigent households)		–	–	–	–	–	–
Municipal Housing - rental rebates							
Housing - top structure subsidies	6						
Other							
Total revenue cost of subsidised services provided		46,948	41,111	41,111	43,742	46,541	49,520

2.6.2.1 Cash/cash equivalent position

The municipality's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

2.6.2.2 Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in Table 20. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

2.6.2.3 Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the municipality to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as service delivery protests. This measure will have to be carefully monitored going forward.

2.6.2.4 Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term. It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective and the first two measures in the table are therefore critical.

2.6.2.5 Property Rates/service charge revenue as a percentage increase less macro inflation target

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in 'revenue', which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth etc.

2.6.2.6 Cash receipts as a percentage of ratepayer and other revenue

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyse the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget. This measure and performance objective will have to be meticulously managed. Should performance with the mid-year review and adjustments be positive in relation to actual collections of billed revenue, the adjustments budget will be amended accordingly.

2.6.2.7 Debt impairment expense as a percentage of billable revenue

This factor measures whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) has to be increased to offset under-collection of billed revenues.

2.6.2.8 Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position.

2.6.2.9 Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been excluded.

2.6.2.10 Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 per cent could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The municipality has budgeted for all transfers.

2.6.2.11 Consumer debtors change (Current and Non-current)

The purpose of these measures are to ascertain whether budgeted reductions in outstanding debtors are realistic. There are 2 measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position.

2.6.2.12 Repairs and maintenance expenditure level

This measure must be considered important within the context of the funding measures criteria cause a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected.

2.6.2.13 Asset renewal/rehabilitation expenditure level

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorize each capital project as a new asset or a

renewal/rehabilitation project. The objective is to summarize and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for ‘repairs and maintenance ’budgets.

2.7 Expenditure on grants and reconciliations of unspent funds

Table 29 MBRR SA19 – Expenditure on transfers and grants programmes

Description	Ref	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
R thousand		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
EXPENDITURE:	1						
Operating expenditure of Transfers and Grants							
National Government:		256,598	254,498	–	284,685	310,032	339,513
Local Government Equitable Share		239,112	239,112		274,916	302,974	332,695
Muncipal Dermacation Transition Grant		4,566	4,566		–	–	
Local Government Financial Management Grant		3,100	3,100		3,170	2,500	2,000
EPWP Incentive		2,673	2,673		2,135	–	
Infrastructure Skills Development Grant		2,100	–		–	–	
Municipal Infrastructure Grant (MIG)		5,047	5,047		4,464	4,558	4,818
Other transfers/grants [insert description]							
Provincial Government:		23,160	23,460	–	18,784	19,400	20,000
Libraries Plan Grant		3,000	3,000		17,284	18,400	19,000
Department of Co-operative Governance - GRAP 17		1,000	1,000		1,000	1,000	1,000
Department of Co-operative Governance - PMS		1,000	1,000				
GRAP 17		17,160	17,460				
EPWP		1,000	1,000		500	–	–
District Municipality:		2,296	2,296	–	2,351	–	–
HIV/Aids District Grant		2,296	2,296		2,351	–	–
Other grant providers:		1,000	1,000	–	1,649	–	–
SDL Subsidy		1,000	1,000		1,649	–	–
Total operating expenditure of Transfers and Grants:		283,054	281,254	–	307,469	329,432	359,513
Capital expenditure of Transfers and Grants							
National Government:		150,901	242,845	–	302,594	255,471	257,580
Municipal Infrastructure Grant (MIG)		95,901	102,601		84,811	86,597	91,537
Integrated National Electrification Program		9,000	9,000		16,000	30,600	24,200
Human Settlement Development Grant		11,000	96,244		146,783	73,383	73,383
MWIG		35,000	35,000		55,000	64,891	68,460

Other capital transfers/grants [insert desc]							
Provincial Government:		–	–	–	3,000	3,000	3,000
Libraries Plan Grant					3,000	3,000	3,000
District Municipality:		–	–	–	–	–	–
HIV/Aids District Grant							
Other grant providers:		–	–	–	–	–	–
SDL Subsidy							
Total capital expenditure of Transfers and Grants		150,901	242,845	–	305,594	258,471	260,580
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		433,955	524,098	–	613,063	587,903	620,093

Table 30 MBRR SA20 - Reconciliation between transfers, grants receipts and unspent

Description	Ref	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
R thousand		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Operating transfers and grants:	1,3						
National Government:							
Balance unspent at beginning of the year							
Current year receipts		139,901	230,277		284,685	310,032	339,513
Conditions met - transferred to revenue		139,901	230,277	–	284,685	310,032	339,513
Conditions still to be met - transferred to liabilities							
Provincial Government:							
Balance unspent at beginning of the year							
Current year receipts		16,733	17,033		18,784	19,400	20,000
Conditions met - transferred to revenue		16,733	17,033	–	18,784	19,400	20,000
Conditions still to be met - transferred to liabilities							
District Municipality:							
Balance unspent at beginning of the year							
Current year receipts							
Conditions met - transferred to revenue		–	–	–	–	–	–
Conditions still to be met - transferred to liabilities							
Other grant providers:							
Balance unspent at beginning of the year							
Current year receipts					4,001	–	–
Conditions met - transferred to revenue		–	–	–	4,001	–	–
Conditions still to be met - transferred to liabilities							
Total operating transfers and grants revenue		156,634	247,310	–	307,470	329,432	359,513
Total operating transfers and grants - CTBM	2	–	–	–	–	–	–
Capital transfers and grants:	1,3						
National Government:							
Balance unspent at beginning of the year							
Current year receipts					302,594	255,471	257,580
Conditions met - transferred to revenue		–	–	–	302,594	255,471	257,580
Conditions still to be met - transferred to liabilities							
Provincial Government:							
Balance unspent at beginning of the year							
Current year receipts					3,000	3,000	3,000
Conditions met - transferred to revenue		–	–	–	3,000	3,000	3,000
Total capital transfers and grants revenue		–	–	–	305,594	258,471	260,580
Total capital transfers and grants - CTBM	2	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE		156,634	247,310	–	613,064	587,903	620,093
TOTAL TRANSFERS AND GRANTS - CTBM		–	–	–	–	–	–

2.8 Councillor and employee benefits

Table 31 MBRR SA22 – Summary of councillors and staff benefits

Summary of Employee and Councillor remuneration	Ref	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
R thousand		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
	1	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)							
Basic Salaries and Wages		19,497	19,497	19,497	20,861	22,322	23,884
Pension and UIF Contributions		–	–	–			
Medical Aid Contributions		–	–	–			
Motor Vehicle Allowance		5,407	5,407	5,407	5,785	6,190	6,624
Cellphone Allowance		1,458	1,458	1,458	1,560	1,669	1,786
Sub Total - Councillors		26,361	26,361	26,361	28,207	30,181	32,294
% increase	4	–	–	–	7.0%	7.0%	7.0%
Senior Managers of the Municipality	2						
Basic Salaries and Wages		7,055	7,055	7,055	9,059	9,693	10,372
Pension and UIF Contributions		–	–	–			
Medical Aid Contributions		–	–	–			
Overtime		–	–	–			
Performance Bonus		1,783	1,783	1,783	1,908	2,042	2,185
Motor Vehicle Allowance	3	–	–	–			
Cellphone Allowance	3	33	33	33	33	35	37
Housing Allowances	3						
Sub Total - Senior Managers of Municipality		8,871	8,871	8,871	11,000	11,770	12,593
% increase	4	–	–	–	24.0%	7.0%	7.0%
Other Municipal Staff							
Basic Salaries and Wages		305,713	309,756	309,756	327,113	350,011	374,512
Pension and UIF Contributions		52,271	52,271	52,271	57,026	60,368	63,944
Medical Aid Contributions		32,447	32,447	32,447	33,304	34,649	36,087
Overtime		10,751	10,751	10,751	11,503	12,308	13,170
Performance Bonus		6,827	6,827	6,827	8,827	9,445	10,107
Motor Vehicle Allowance	3	12,809	12,809	12,809	13,506	14,251	15,048
Cellphone Allowance	3	2,315	2,315	2,315	2,593	2,775	2,969
Housing Allowances	3	4,748	4,748	4,748	4,964	5,311	5,683
Other benefits and allowances	3	4,657	4,657	4,657	4,928	5,273	5,642
Payments in lieu of leave		3,213	3,213	3,213	3,437	3,678	3,936
Long service awards		19,263	19,263	19,263	20,687	22,136	23,685
Post-retirement benefit obligations	6						
Sub Total - Other Municipal Staff		455,013	459,056	459,056	487,888	520,204	554,782
% increase	4	–	0.9%	–	6.3%	6.6%	6.6%
Total Parent Municipality		490,246	494,289	494,289	527,095	562,155	599,669
		–	0.8%	–	6.6%	6.7%	6.7%
TOTAL SALARY, ALLOWANCES & BENEFITS		490,246	494,289	494,289	527,095	562,155	599,669
% increase	4	–	0.8%	–	6.6%	6.7%	6.7%
TOTAL MANAGERS AND STAFF	5,7	463,884	467,927	467,927	498,888	531,974	567,375

Table 32 MBRR SA23-Salaries, allowances and benefits (political office bearers/councilors/senior managers)

Table 33 MBRR SA24 – Summary of personnel numbers

Summary of Personnel Numbers	Ref	2016/17			Current Year 2017/18			Budget Year 2018/19		
Number	1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		69	–	69	69	–	69	76	2	74
Board Members of municipal entities	4							–	–	–
Municipal employees	5									
Municipal Manager and Senior Managers	3	7	–	7	7	–	7	7		7
Other Managers	7	57	56	–	57	56	–	31	8	23
Professionals		*99*	*99*	*–*	*99*	*99*	*–*	*27*	*25*	*2*
Finance		35	35	–	35	35	–	5	5	
Spatial/town planning		9	9	–	9	9	–			
Information Technology		1	1	–	1	1	–			
Roads		2	2	–	2	2	–			
Electricity		2	2	–	2	2	–			
Water		1	1	–	1	1	–			
Sanitation		2	2	–	2	2	–			
Refuse		1	1	–	1	1	–			
Other		46	46	–	46	46	–	22	20	2
Technicians		*15*	*15*	*1*	*15*	*15*	*1*	*74*	*73*	*1*
Finance		–	–	–	–	–	–	–	–	–
Spatial/town planning		–	–	–	–	–	–	15	14	1
Information Technology		15	15		15	15		4	4	
Roads		–	–	–	–	–	–	7	7	
Electricity		–	–	–	–	–	–	23	23	
Water		–	–	–	–	–	–	8	8	
Sanitation		–	–	–	–	–	–	11	11	
Refuse		–	–	–	–	–	–			
Other		–	–	1	–	–	1	6	6	
Clerks (Clerical and administrative)		218	207	11	218	207	11	194	170	24
Service and sales workers								–	–	–
Skilled agricultural and fishery workers								–	–	–
Craft and related trades		2	2		2	2		–	–	–
Plant and Machine Operators		114	114		114	114		94	94	
Elementary Occupations		756	756	–	756	756	–	524	394	

TOTAL PERSONNEL NUMBERS	9	1,337	1,249	88	1,337	1,249	88	1,027	766	131
% increase					–	–	–	(23.2%)	(38.7%)	48.9%
Total municipal employees headcount	6, 10									
Finance personnel headcount	8, 10									
Human Resources personnel headcount	8, 10									

2.9 Monthly targets for revenue, expenditure and cash flow

Table 34 MBRR SA25 – Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Novembe r	Decem ber	January	Februar y	March	April	May	June	Budge t Year 2018/1 9	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source	-															
Property rates		43,428	17,371	17,371	17,371	17,371	17,371	17,371	17,371	17,371	17,371	17,371	17,371	234,50 8	249,517	265,486
Service charges - electricity revenue		75,556	77,778	44,444	44,444	44,444	42,222	42,222	49,746	50,000	55,556	72,222	72,930	671,56 4	714,544	760,746
Service charges - water revenue		22,222	22,222	27,778	36,667	36,667	39,122	25,556	22,222	22,222	22,222	22,222	22,222	321,34 4	341,910	363,792
Service charges - sanitation revenue		4,664	4,664	4,664	4,664	4,664	4,664	4,664	4,664	4,664	4,664	4,664	4,664	55,973	59,556	63,367
Service charges - refuse revenue		5,137	5,137	5,137	5,137	5,137	5,137	5,137	5,137	5,137	5,137	5,137	5,137	61,648	65,594	69,792
Service charges - other		232	232	232	232	232	232	232	232	232	232	232	580	3,135	3,335	3,549
Rental of facilities and equipment		237	237	237	237	237	237	237	237	237	237	237	237	2,841	3,023	3,216
Interest earned - external investments		283	283	283	283	283	283	283	283	283	283	283	283	3,398	3,615	3,847
Interest earned - outstanding debtors		2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	2,173	26,077	27,746	29,522
Dividends received		–		53									0	53	57	60
Fines, penalties and forfeits		1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	18,599	19,789	21,056
Licences and permits		8	8	8	8	8	8	8	8	8	8	8	8	91	97	103
Agency services		2,515	2,515	2,515	2,515	2,515	2,515	2,515	2,515	2,515	2,515	2,515	2,515	30,181	32,112	34,167
Transfers and subsidies		120,000	10,000	5,000	3,500	4,000	89,000	2,100	3,869	70,000	–	–	0	307,46 9	329,432	359,513

Other revenue		2,592	2,592	2,592	2,592	2,592	2,592	2,592	2,592	2,592	2,592	2,592	2,999	31,506	33,523	35,668
Gains on disposal of PPE		–	–	–	–	–	–	–	–	–	–	-	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		280,597	146,762	114,037	121,373	121,873	207,106	106,640	112,599	178,984	114,540	131,207	132,670	1,768,388	1,883,850	2,013,884
Expenditure By Type																
Employee related costs		43,925	43,925	43,925	43,925	43,925	43,925	43,925	43,925	43,925	43,925	43,925	43,925	527,095	560,829	596,722
Remuneration of councillors		2,351	2,351	2,351	2,351	2,351	2,351	2,351	2,351	2,351	2,351	2,351	2,351	28,207	30,012	31,933
Debt impairment		–	–	–	–	–	–	–	–	–	–	–	79,672	79,672	84,771	90,196
Depreciation & asset impairment		14,876	14,876	14,876	14,876	14,876	14,876	14,876	14,876	14,876	14,876	14,876	14,876	178,508	189,932	202,088
Finance charges		703	703	703	703	703	703	703	703	703	703	703	703	8,431	8,970	9,544
Bulk purchases		76,000	76,000	48,213	48,213	49,213	44,213	44,213	49,213	53,213	53,213	76,000	76,518	694,221	738,652	785,925
Other materials		8,467	8,467	8,467	8,467	8,467	8,467	8,467	8,467	8,467	8,467	8,467	8,466	101,601	108,243	115,310
Contracted services		3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	46,566	49,546	52,717
Transfers and subsidies		–	–	398	–	–	398	–	–	398	–	–	398	1,590	1,692	1,800
Other expenditure		4,536	6,536	8,536	8,536	8,536	10,536	8,536	10,536	8,536	8,536	8,536	10,536	102,428	108,844	115,670
Loss on disposal of PPE													–	–	–	–
Total Expenditure		154,736	156,736	131,347	130,949	131,949	129,347	126,949	133,949	136,347	135,949	158,736	241,323	1,768,318	1,881,490	2,001,905
													–			
Surplus/(Deficit)		125,860	(9,974)	(17,309)	(9,576)	(10,076)	77,759	(20,309)	(21,350)	42,638	(21,409)	(27,530)	(108,653)	70	2,360	11,979
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		90,000	–	–	50,000	–	40,000	–	45,594	80,000	–	–	0	305,594	247,310	247,310

Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)													–	–	–	–
Transfers and subsidies - capital (in-kind - all)													–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		215,860	(9,974)	(17,309)	40,424	(10,076)	117,759	(20,309)	24,244	122,638	(21,409)	(27,530)	(108,652)	305,665	249,670	259,289
Taxation													–	–	–	–
Attributable to minorities													–	–	–	–
Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	215,860	(9,974)	(17,309)	40,424	(10,076)	117,759	(20,309)	24,244	122,638	(21,409)	(27,530)	(108,652)	305,665	249,670	259,289

Table 35 MBRR SA26 – Budgeted monthly revenue and expenditure (municipal vote)

GT485 Rand West City - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)																
Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue by Vote	-															
Vote 1 - Municipal Management Office													–	–	–	–
Vote 2 - Infrastructure Services		100,862	90,862	98,862	98,862	98,862	78,862	98,862	98,862	98,862	98,862	100,862	122,862	1,186,341	1,262,267	1,343,052
Vote 3 - COMMUNITY SERVICES		12,935	12,935	12,935	12,935	12,935	12,935	12,935	12,935	12,935	12,935	12,935	12,935	155,223	165,158	175,728
Vote 4 - ECONOMIC DEVELOPMENT AND PLANNING		1,353	1,353	1,353	1,353	1,353	1,353	1,353	1,353	1,353	1,353	1,353	1,353	16,232	17,271	18,376
Vote 5 - GOVERNANCE & TRANSFORMATION SUPPORT SERVICES		92	92	92	92	92	92	92	92	92	92	92	305,686	306,694	250,765	260,454
Vote 6 - FINANCIAL MANAGEMENT SERVICES		31,950	31,950	31,950	31,950	31,950	31,950	31,950	31,950	31,950	31,950	31,950	31,950	383,396	407,934	434,042
Vote 7 - CORPORATE SUPPORT SERVICES		138	138	138	138	138	138	138	138	138	138	138	138	1,657	1,763	1,876
Vote 8 - CHIEF INFORMATION OFFICER		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 - INTERNAL AUDITING		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - POLITICAL OFFICE & IGR		10,116	–	–	–	–	9,116	–	–	5,206	–	–	0	24,438	26,002	27,666
Vote 11 - [NAME OF VOTE 11]													–	–	–	–
Vote 12 - [NAME OF VOTE 12]													–	–	–	–
Vote 13 - [NAME OF VOTE 13]													–	–	–	–
Vote 14 - [NAME OF VOTE 14]													–	–	–	–
Vote 15 - [NAME OF VOTE 15]													–	–	–	–
Total Revenue by Vote		157,445	137,329	145,329	145,329	145,329	134,445	145,329	145,329	150,535	145,329	147,329	474,923	2,073,982	2,131,160	2,261,194

Expenditure by Vote to be appropriated																
Vote 1 - Municipal Management Office		621	621	621	621	621	621	621	621	621	621	621	621	7,458	7,935	8,443
Vote 2 - Infrastructure Services		102,997	87,997	84,997	84,997	84,997	75,997	83,997	89,997	91,997	91,997	102,997	120,997	1,103,962	1,174,616	1,249,791
Vote 3 - COMMUNITY SERVICES		15,776	21,776	24,776	24,776	24,776	24,776	24,776	21,776	21,776	21,776	15,776	18,776	261,308	278,031	295,825
Vote 4 - ECONOMIC DEVELOPMENT AND PLANNING		2,451	2,451	2,451	2,451	2,451	2,451	2,451	2,451	2,451	2,451	2,451	2,451	29,406	31,288	33,291
Vote 5 - GOVERNANCE & TRANSFORMATION SUPPORT SERVICES		1,224	1,224	1,224	1,224	1,224	1,224	1,224	1,224	1,224	1,224	1,224	1,224	14,691	15,631	16,632
Vote 6 - FINANCIAL MANAGEMENT SERVICES		12,454	12,454	12,454	12,454	12,454	12,454	12,454	12,454	12,454	12,454	12,454	12,454	149,447	159,012	169,189
Vote 7 - CORPORATE SUPPORT SERVICES		7,308	7,308	7,308	7,308	7,308	7,308	7,308	7,308	7,308	7,308	7,308	7,308	87,696	93,309	99,281
Vote 8 - CHIEF INFORMATION OFFICER		2,587	2,587	2,587	2,587	2,587	2,587	2,587	2,587	2,587	2,587	2,587	2,587	31,046	33,033	35,147
Vote 9 - INTERNAL AUDITING		337	337	337	337	337	337	337	337	337	337	337	337	4,048	4,307	4,583
Vote 10 - POLITICAL OFFICE & IGR		6,605	6,605	6,605	6,605	6,605	6,605	6,605	6,605	6,605	6,605	6,605	6,605	79,255	84,328	89,725
Vote 11 - [NAME OF VOTE 11]													–	–	–	–
Vote 12 - [NAME OF VOTE 12]													–	–	–	–
Vote 13 - [NAME OF VOTE 13]													–	–	–	–
Vote 14 - [NAME OF VOTE 14]													–	–	–	–
Vote 15 - [NAME OF VOTE 15]													–	–	–	–
Total Expenditure by Vote		152,360	143,360	143,360	143,360	143,360	134,360	142,360	145,360	147,360	147,360	152,360	173,360	1,768,318	1,881,490	2,001,905
Surplus/(Deficit) before assoc.		5,085	(6,031)	1,969	1,969	1,969	85	2,969	(31)	3,175	(2,031)	(5,031)	301,564	305,665	249,670	259,289
Taxation													–	–	–	–
Attributable to minorities													–	–	–	–

Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	5,085	(6,031)	1,969	1,969	1,969	85	2,969	(31)	3,175	(2,031)	(5,031)	301,564	305,665	249,670	259,289

References

Table 36 MBRR SA27 – Budgeted monthly revenue and expenditure (standard classification)

GT485 Rand West City - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Novem ber	Decem ber	Januar y	Februar y	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue - Functional																
Governance and administration		44,012	31,408	31,408	31,408	31,408	41,408	31,408	31,408	40,051	31,408	31,408	31,408	408,145	434,266	462,059
Executive and council		12,604	–	–	–	–	10,000	–	–	8,643	–	–	–	31,247	33,247	35,375
Finance and administration		31,408	31,408	31,408	31,408	31,408	31,408	31,408	31,408	31,408	31,408	31,408	31,408	376,897	401,019	426,684
Internal audit													–	–	–	–
Community and public safety		1,956	1,956	1,956	1,956	1,956	1,956	1,956	1,956	1,956	1,956	1,956	1,956	23,476	24,978	26,577
Community and social services		1,670	1,670	1,670	1,670	1,670	1,670	1,670	1,670	1,670	1,670	1,670	1,670	20,040	21,322	22,687
Sport and recreation		83	83	83	83	83	83	83	83	83	83	83	83	993	1,056	1,124
Public safety		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		204	204	204	204	204	204	204	204	204	204	204	204	2,443	2,599	2,766

Economic and environmental services		3,316	3,316	3,316	3,316	3,316	3,316	3,316	3,316	3,316	3,316	3,316	308,909	345,380	291,927	304,251
Planning and development		1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845	307,438	327,731	273,148	284,270
Road transport		1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	17,649	18,779	19,981
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		101,511	98,511	113,511	113,511	113,511	93,511	100,511	106,511	106,511	106,511	101,511	110,510	1,266,127	1,347,159	1,433,377
Energy sources		67,300	64,300	60,300	60,300	60,300	52,300	54,300	60,300	60,300	60,300	67,300	80,300	747,601	795,447	846,356
Water management		20,662	20,662	39,662	39,662	39,662	27,662	32,662	32,662	32,662	32,662	20,662	16,662	355,946	378,727	402,965
Waste water management		6,437	6,437	6,437	6,437	6,437	6,437	6,437	6,437	6,437	6,437	6,437	6,437	77,246	82,189	87,449
Waste management		7,111	7,111	7,111	7,111	7,111	7,111	7,111	7,111	7,111	7,111	7,111	7,111	85,334	90,796	96,607
Other													30,855	30,855	32,830	34,931
Total Revenue - Functional		150,794	135,191	150,191	150,191	150,191	140,191	137,191	143,191	151,834	143,191	138,191	483,639	2,073,982	2,131,160	2,261,194
			203,005	214,005	214,005	214,005	206,005	195,005	207,005	224,292	207,005	209,005				
Expenditure - Functional																
Governance and administration		30,132	30,132	30,132	30,132	30,132	30,132	30,132	30,132	38,132	30,132	24,132	28,132	361,586	384,727	409,350
Executive and council		5,175	5,175	5,175	5,175	5,175	5,175	5,175	5,175	5,175	5,175	5,175	5,175	62,099	66,073	70,302
Finance and administration		24,620	24,620	24,620	24,620	24,620	24,620	24,620	24,620	32,620	24,620	18,620	22,620	295,438	314,346	334,464
Internal audit		337	337	337	337	337	337	337	337	337	337	337	337	4,048	4,307	4,583
Community and public safety		11,578	11,578	11,578	11,578	11,578	11,578	11,578	11,578	11,578	11,578	11,578	11,578	138,931	147,823	157,283
Community and social services		5,304	5,304	5,304	5,304	5,304	5,304	5,304	5,304	5,304	5,304	5,304	5,304	63,651	67,725	72,059

Sport and recreation		1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	1,471	17,649	18,779	19,981
Public safety		3,880	3,880	3,880	3,880	3,880	3,880	3,880	3,880	3,880	3,880	3,880	3,880	46,564	49,544	52,714
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		922	922	922	922	922	922	922	922	922	922	922	922	11,067	11,775	12,529
Economic and environmental services		10,037	10,037	18,037	18,037	18,037	18,037	14,037	14,037	14,037	14,037	10,037	10,037	168,441	179,221	190,692
Planning and development		2,451	2,451	2,451	2,451	2,451	2,451	2,451	2,451	2,451	2,451	2,451	2,451	29,406	31,288	33,291
Road transport		7,401	7,401	15,401	15,401	15,401	15,401	11,401	11,401	11,401	11,401	7,401	7,401	136,814	145,570	154,886
Environmental protection		185	185	185	185	185	185	185	185	185	185	185	185	2,221	2,363	2,515
Trading services		103,613	86,613	90,613	90,613	90,613	81,613	83,613	83,613	83,613	83,613	97,613	123,613	1,099,360	1,169,719	1,244,581
Energy sources		70,714	53,714	45,714	45,714	45,714	40,714	45,714	45,714	45,714	45,714	64,714	94,714	644,565	685,817	729,709
Water management		20,278	20,278	32,278	32,278	32,278	28,278	25,278	25,278	25,278	25,278	20,278	16,278	303,332	322,745	343,401
Waste water management		5,244	5,244	5,244	5,244	5,244	5,244	5,244	5,244	5,244	5,244	5,244	5,244	62,933	66,960	71,246
Waste management		7,378	7,378	7,378	7,378	7,378	7,378	7,378	7,378	7,378	7,378	7,378	7,378	88,530	94,196	100,225
Other													–	–	–	–
Total Expenditure - Functional		155,360	138,360	150,360	150,360	150,360	141,360	139,360	139,360	147,360	139,360	143,360	173,360	1,768,318	1,881,490	2,001,905
Surplus/(Deficit) before assoc.		(4,565)	(3,169)	(169)	(169)	(169)	(1,169)	(2,169)	3,831	4,474	3,831	(5,169)	310,280	305,665	249,670	259,289
Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	(4,565)	(3,169)	(169)	(169)	(169)	(1,169)	(2,169)	3,831	4,474	3,831	(5,169)	310,280	305,665	249,670	259,289

Table 380 MBRR SA30 – Budgeted monthly cash flow

GT485 Rand West City - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash Receipts By Source															
Property rates	39,085	15,634	15,634	15,634	15,634	15,634	15,634	15,634	15,634	15,634	15,634	15,634	211,058	232,163	247,022
Service charges - electricity revenue	68,000	70,000	40,000	40,000	40,000	38,000	38,000	44,771	45,000	50,000	65,000	65,637	604,408	664,849	707,399
Service charges - water revenue	20,000	20,000	25,000	33,000	33,000	35,209	23,000	20,000	20,000	20,000	20,000	20,000	289,209	318,130	338,491
Service charges - sanitation revenue	4,198	4,198	4,198	4,198	4,198	4,198	4,198	4,198	4,198	4,198	4,198	4,198	50,376	55,413	58,960
Service charges - refuse revenue	4,624	4,624	4,624	4,624	4,624	4,624	4,624	4,624	4,624	4,624	4,624	4,624	55,483	61,032	64,938
Service charges - other	209	209	209	209	209	209	209	209	209	209	209	522	2,821	3,103	3,302
Rental of facilities and equipment	213	213	213	213	213	213	213	213	213	213	213	213	2,557	2,812	2,992
Interest earned - external investments	283	283	283	283	283	283	283	283	283	283	283	283	3,398	3,738	3,977
Interest earned - outstanding debtors	1,956	1,956	1,956	1,956	1,956	1,956	1,956	1,956	1,956	1,956	1,956	1,956	23,470	25,817	27,469
Dividends received	–	–	53	–	–	–	–	–	–	–	-	0	53	59	62
Fines, penalties and forfeits	465	465	465	465	465	465	465	465	465	465	465	465	5,580	6,138	6,530
Licences and permits	8	8	8	8	8	8	8	8	8	8	8	8	91	100	107
Agency services	2,515	2,515	2,515	2,515	2,515	2,515	2,515	2,515	2,515	2,515	2,515	2,515	30,181	33,199	35,323
Transfer receipts - operational	120,000	10,000	5,000	3,500	4,000	89,000	2,100	3,869	70,000	–	–	0	307,469	338,216	359,862

Other revenue	2,626	2,626	2,626	2,626	2,626	2,626	2,626	2,626	2,626	2,626	2,625,509.74	2,626	31,506	34,657	36,875
Cash Receipts by Source	264,181	132,730	102,783	109,230	109,730	194,939	95,830	101,370	167,730	102,730	117,730	118,680	1,617,660	1,779,426	1,893,309
Other Cash Flows by Source															
Transfer receipts - capital	90,000	–	–	50,000	–	40,000	–	45,594	80,000	–	–	0	305,594	325,152	345,962
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)												–			
Proceeds on disposal of PPE												–			
Short term loans												–			
Borrowing long term/refinancing												–			
Increase (decrease) in consumer deposits												–			
Decrease (Increase) in non-current debtors												785	785	836	889
Decrease (increase) other non-current receivables												–			
Decrease (increase) in non-current investments				–								13,847	13,847		
Total Cash Receipts by Source	354,181	132,730	102,783	159,230	109,730	234,939	95,830	146,964	247,730	102,730	117,730	133,313	1,937,886	2,105,414	2,240,160
Cash Payments by Type															
Employee related costs	44,073	44,073	44,073	44,073	44,073	44,073	44,073	44,073	44,073	44,073	44,073	42,295	527,095	560,829	596,722
Remuneration of councillors	2,351	2,351	2,351	2,351	2,351	2,351	2,351	2,351	2,351	2,351	2,351	2,351	28,207	30,012	31,933

Finance charges	703	703	703	703	703	703	703	703	703	703	703	703	8,431	8,970	9,544
Bulk purchases - Electricity	60,000	60,000	30,213	30,213	30,213	25,213	25,213	30,213	35,213	35,213	60,000	60,852	482,555	513,439	546,299
Bulk purchases - Water & Sewer	16,000	16,000	18,000	18,000	19,000	19,000	19,000	19,000	18,000	18,000	16,000	15,666	211,666	225,213	239,627
Other materials	8,417	8,417	8,417	8,417	8,417	8,417	8,417	8,417	8,417	8,417	8,417	9,016	101,601	108,103	115,022
Contracted services	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	46,566	49,546	52,717
Transfers and grants - other municipalities	–	–	–	–	–	–	–	–	–	–	-	–	–	–	–
Transfers and grants - other	–	–	398	–	–	398	–	–	398	–	-	398	1,590	1,692	1,800
Other expenditure	8,292	8,292	8,292	8,292	8,292	8,292	8,292	8,292	8,292	8,292	8,292	11,218	102,428	108,983	115,958
Cash Payments by Type	143,715	143,715	116,325	115,928	116,928	112,325	111,928	116,928	121,325	120,928	143,715	146,378	1,510,138	1,606,787	1,709,622
Other Cash Flows/Payments by Type															
Capital assets	12,542	16,150	14,859	20,809	19,159	17,550	22,650	27,950	34,750	39,892	41,450	53,106	320,866	258,471	260,578
Repayment of borrowing	909		1,429									–	2,338		
Other Cash Flows/Payments	4,000	1,500	1,500	1,500	1,500	4,000	1,500	1,500	4,000	1,500	1,500	1,500	25,500	25,500	25,500
Total Cash Payments by Type	161,166	161,365	134,113	138,236	137,586	133,875	136,078	146,378	160,075	162,319	186,665	200,985	1,858,842	1,890,758	1,995,700
NET INCREASE/(DECREASE) IN CASH HELD	193,015	(28,635)	(31,330)	20,993	(27,857)	101,064	(40,248)	586	87,654	(59,590)	(68,935)	(67,672)	79,045	214,655	244,460
Cash/cash equivalents at the month/year begin:	89,852	282,867	254,232	222,902	243,895	216,038	317,102	276,853	277,439	365,093	305,504	236,568	89,852	168,897	383,552
Cash/cash equivalents at the month/year end:	282,867	254,232	222,902	243,895	216,038	317,102	276,853	277,439	365,093	305,504	236,568	168,897	168,897	383,552	628,012

2.10 Annual budgets and SDBIPs – internal departments

To be completed when the 2018/19 SDBIP is submitted to the Executive Mayor for approval in terms of the MFMA.

2.11 Contracts having future budgetary implications

In terms of the City's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Budget and Treasury Office (BTO).

2.12 Capital expenditure details

The following tables present details of the municipality's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets

Table 39 MBRR SA36 – Detailed capital budget per municipality vote

GT485 Rand West City - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	Prior year outcomes		2018/19 Medium Term Revenue & Expenditure Framework			Project information	
R thousand	4				6	3	3	Audited Outcome 2016/17	Current Year 2017/18 Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	Ward location	New or renewal
Parent municipality: *List all capital projects grouped by Municipal Vote*														
Infrastructure Services		Rehabilitation of Sewer Networks in Mohlakeng and Toekomsrus			Yes	*Sanitation Infrastructure*	*Reticulation*		1,500	2,374	7,000	10,381	All Wards	renewal
Infrastructure Services		Rehabilitation of Roads in Mohlakeng and Toekomsrus:Phase 4			Yes	*Roads Infrastructure*	*Roads*	15,955	–	–	–	–		renewal
Infrastructure Services		Rehabilitation of Roads in Mohlakeng and Toekomsrus:Phase 3			Yes	*Roads Infrastructure*	*Roads*	1,499	–	–	–	–		renewal
Infrastructure Services		Rehabilitation of Roads in Mohlakeng Phase 5			Yes	*Roads Infrastructure*	*Roads*		8,083	13,100	8,000	10,000	All Wards	renewal
Infrastructure Services		Rehabilitation of roads in Zuurbekom(Phase2)			Yes	*Roads Infrastructure*	*Roads*	6,413	6,500	8,500	6,562	1,655	All Wards	renewal
Infrastructure Services		Upgrading of Toekomsrus Stadium			Yes	*Sport and Recreation Facilities*	*Outdoor Facilities*	552	7,235	13,257	–	2,000	Ward 8	renewal
Infrastructure Services		Upgrading of Toekomsrus Stadium(Peremeter Fencing)			Yes	*Sport and Recreation Facilities*	*Outdoor Facilities*	–	4,400	–	–	–		renewal
Infrastructure Services		Construction of roads at mohlakeng (Ext 4 and 7)			Yes	*Roads Infrastructure*	*Roads*	–	8,000	9,483	7,000	6,000	Ward 14,15&19	new
Infrastructure Services		Construction of Brandeg Road			Yes	*Roads Infrastructure*	*Roads*	–	1,366	–	7,000	7,000	Ward 2	new
Infrastructure Services		Upgrading of storm water Mohlakeng and Toekomsrus			Yes	*Roads Infrastructure*	*Road Structures*	–	1,500	2,576	6,000	6,000	All Wards	renewal
Infrastructure Services		Construction of roads and stormwater in old Mohlakeng(Ext 3 and 5)			Yes	*Roads Infrastructure*	*Roads*	–	7,083	11,138	8,000	7,000	Ward 11&15	new

Development Planning		Construction of Droogheuwel Bulk Water Supply			Yes	*Water Supply Infrastructure*	*Reservoirs*	51,968	29,438	63,400	–	–	Ward 2	new
Infrastructure Services		Electrification Of Mohlakeng Ext 11			Yes	*Electrical Infrastructure*	*LV Networks*	8,000	–	–	–	–		new
Infrastructure Services		Construction of 2x40 MVA Bulk Station			Yes	*Electrical Infrastructure*	*LV Networks*	2,000	–	–	–	–		new
Development Planning		Electrification Of Mohlakeng Ext 14			Yes	*Electrical Infrastructure*	*LV Networks*	–	–	20,000	10,000	10,000	Ward 11	new
Infrastructure Services		Electrification Of Mohlakeng Hostel			Yes	*Electrical Infrastructure*	*LV Networks*	583	8,000	–	–	–		new
Infrastructure Services		Installation of high mast line- Greater Randwest			Yes	*Electrical Infrastructure*	*LV Networks*	–	–	–	3,500	2,500	All Wards	new
Infrastructure Services		Construction of Roads and Stormwater in Mohlakeng Ext11(Phase 4)			Yes	*Roads Infrastructure*	*Roads*	3,614	–	–	–	10,000	Ward 11	new
Infrastructure Services		Construction of Roads and Stormwater in Badirile			Yes	*Roads Infrastructure*	*Roads*	6,250	9,500	6,400	7,821	7,000	Ward 1	new
Infrastructure Services		Simunye Internal Roads (Ph7)			Yes	*Roads Infrastructure*	*Roads*	9,903	7,901	6,380	5,000	–	Ward 28	new
Infrastructure Services		Zuurbekom Multi Purpose Sport & Recreation Community Centre (Soccer Field)			Yes	*Sport and Recreation Facilities*	*Outdoor Facilities*	–	–	–	1,214	5,000	Ward 17	new
Infrastructure Services		Simunye Multi Purpose Sport & Recreation Community Centre (Soccer Field)			Yes	*Sport and Recreation Facilities*	*Outdoor Facilities*	7,686	2,072	–	–	–		new
Infrastructure Services		Hills Haven Outfall Sewer Upgrade			Yes	*Sanitation Infrastructure*	*Reticulation*	–	–	–	7,500	7,000	Ward 26	renewal
Infrastructure Services		Westonaria alternate supply pipeline construction			Yes	*Water Supply Infrastructure*	*Reservoirs*	–	10,000	11,602	–	–	All Wards	new
Infrastructure Services		Glenharvie Alternate Pump Supply pipeline construction			Yes	*Water Supply Infrastructure*	*Reservoirs*	–	–	–	7,000	10,000	Ward 23	new
Infrastructure Services		Construction at the Libanon Waste Processing Plant			Yes	*Solid Waste Infrastructure*	*Landfill Sites*	8,997	6,760	–	–	–		new
Infrastructure Services		Water supply Greater Randwest			Yes	*Water Supply Infrastructure*	*Reservoirs*	30,000	35,000	55,000	64,891	68,460	All Wards	new
Infrastructure Services		Procurement of Meters			Yes	*Water Supply Infrastructure*	*Distribution*	–	–	–	5,000	–	All Wards	new
Infrastructure Services		Borwa substation			Yes	*Electrical Infrastructure*	*HV Substations*	–	9,000	10,000	25,600	19,200	Ward 26	new
Infrastructure Services		Energy Efficiency			Yes	*Electrical Infrastructure*	*LV Networks*	–	–	6,000	5,000	5,000	All Wards	new
Infrastructure Services		Westonaria INEP projects			Yes	*Electrical Infrastructure*	*LV Networks*	9,500	–	–	–	–		renewal
Infrastructure Services		Upgrading of electrical netwaorks at Agricultural holdings			Yes	*Electrical Infrastructure*	*LV Networks*	–	–	2,000	1,000	1,000	All Wards	renewal
Infrastructure Services		Installation fo highmast lights in Greater Randwest			Yes	*Electrical Infrastructure*	*LV Networks*	–	–	2,000	1,000	1,000	All Wards	new
Chief Information Officer		I.T Equipment			Yes	*Computer Equipment*	*Municipal Offices*	–	700	700	–	–	Ward 5	new

Chief Information Officer		Upgrading Server Room			Yes	Computer Equipment	Municipal Offices	–	–	200	–	–	Ward 5	renewal
Municipal Manager		Furniture			Yes	Furniture and Office Equipment	Municipal Offices	1,159	–	100	–	–	Ward 5	new
Chief Financial Officer		Furniture and Equipment:Toekomsrus Cash Point			Yes	Furniture and Office Equipment	Municipal Offices	–	–	771	–	–	Ward 20	new
Corporate Services		Upgrading of Toekomsrus Offices:Cash Point			Yes	Furniture and Office Equipment	Municipal Offices	–	3,500	3,500	–	–	Ward 20	renewal
Infrastructure Services		Electrification of Mohlakeng Ext5			Yes	Electrical Infrastructure	LV Networks	13,500	–	10,000	–	–	Ward 15	new
Community Services		Procurement of Library books(Greater Randwest)			Yes	Libraries	Libraries	2,405	1,300	1,000	1,000	1,000	All Wards	new
Community Services		Furniture for Dual Purpose Libraries			Yes	Furniture and Office Equipment	Libraries	–	300	900	900	900	All Wards	new
Community Services		Procurement of Office Equipment			Yes	Furniture and Office Equipment	Libraries	335	–	–	–	–		new
Community Services		Maintenance of Library Infrastructure			Yes	Community Facilities	Libraries	934	1,166	–	–	–		renewal
Community Services		Procurement of Vehicle			Yes	Sport and Recreation Facilities	Libraries	1,190	200	–	–	–		new
Community Services		Dual purpose library:Bekkerdal			Yes	Community Facilities	Libraries	1,075	900	–	–	–		new
Community Services		Furniture for Modular Libraries			Yes	Furniture and Office Equipment	Libraries	–	–	300	300	300	All Wards	new
Community Services		Installation of security system			Yes	Furniture and Office Equipment	Libraries	40	600	600	600	600	All Wards	new
Community Services		ICT equipment			Yes	Furniture and Office Equipment	Libraries	800	–	200	200	200	All Wards	new
Community Services		Construction of Badirile Sports Facility			Yes	Community Facilities	Outdoor Facilities	500	9,500	–	–	–		new
Community Services		Developmentt Park:Bekkersdal			Yes	Community Facilities	Outdoor Facilities	500	–	–	–	–		new
Community Services		Developmentt Park:Simunye			Yes	Community Facilities	Outdoor Facilities	500	–	–	–	–		new
Community Services		Developmentt Park:Maselpoort			Yes	Community Facilities	Outdoor Facilities	500	–	–	–	–		new
Community Services		Developmentt Park:Edward Avenue			Yes	Community Facilities	Outdoor Facilities	500	–	–	–	–		new
Community Services		Developmentt Park:Venterspost			Yes	Community Facilities	Outdoor Facilities	500	–	–	–	–		new

Community Services		Bekkersdal 5 A Side			Yes	*Community Facilities*	*Outdoor Facilities*	5,512	–	–	–	–		new
Community Services		Construction of Toekomsrus Sports Complex			Yes	*Community Facilities*	*Outdoor Facilities*	–	3,200	–	–	–		new
Development Planning		Electrification Of Zenzele Informal Settlement			Yes	*Electrical Infrastructure*	*LV Networks*	–	10,000	10,000	10,000	10,000	Ward 12	new
Development Planning		Electrification Of Jabulani Informal Settlement			Yes	*Electrical Infrastructure*	*LV Networks*	–	–	5,000	5,000	5,000	Ward 3	new
Development Planning		Electrification Of OR Tambo Informal Settlement			Yes	*Electrical Infrastructure*	*LV Networks*	–	–	10,000	10,000	10,000	Ward 9	new
Development Planning		Supply and Installation of Prepaid Water Meters in Finsbury			Yes	*Water Supply Infrastructure*	*Distribution*	246	6,500	10,000	10,000	10,000	All Wards	new
Development Planning		Bekkersdal Business Hives			Yes	*Housing*	*Social Housing*	5,119	–	–	–	–		new
Development Planning		Housing related projects			Yes	*Housing*	*Social Housing*	1,235	4,765	–	–	–		new
Development Planning		Township Establishment			Yes	*Housing*	*Social Housing*	–	11,000	–	–	–		new
Development Planning		Construction of Roads in Greater Randwest			Yes	*Water Supply Infrastructure*	*Distribution*	25,557	10,000	10,383	10,383	10,383	All Wards	new
Development Planning		Underground Water and Sanitation Monitoring Framework(Master Plans)			Yes	*Water Supply Infrastructure*	*Distribution*	–	8,000	5,000	5,000	5,000	All Wards	new
Development Planning		Feasibility Studies(Dolomitic,Geotechnical and EIA Studies)			Yes	*Housing*	*Public Open Space*	–	–	8,000	8,000	8,000	All Wards	new
Development Planning		Temporary Residential Units			Yes	*Housing*	*Public Open Space*	–	3,000		–	–		new
Development Planning		Land Purchase:Badirile and Bekkersdal			Yes	*Housing*	*Public Open Space*	4,760	1,540		–	–		new
Development Planning		Upgrading of Bulk Services(Bekkersdal Water)			Yes	*Water Supply Infrastructure*	*Distribution*	–	5,500		–	–		renewal
Development Planning		Upgrading of Bulk Services(Badirile treatment Plant))			Yes	*Sanitation Infrastructure*	*Waste Water Treatment Works*	–	5,000		–	–		renewal
Communtity Services		Development of Cemeteries			Yes	*Community Facilities*	*Cemeteries/Crematoria*	2,070	1,500		–	–		new
Corporate Services		Fencing of the Civic Centrre			Yes			–	10,000		–	–		new
Development Planning		Development Roads and Stormwater(Master Plan)			Yes	*Roads Infrastructure*	*Roads*	–	–	5,000	5,000	5,000	All Wards	new
Parent Capital expenditure	1							231,855	261,510	324,866	260,471	262,578		
Entities: *List all capital projects grouped by Entity* Entity A Water project A														

Entity B Electricity project B														
Entity Capital expenditure							–	–	–	–	–			
Total Capital expenditure							231,855	261,510	324,866	260,471	262,578			

2.13 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively.

2. Internship programme
   The municipality is participating in the Municipal Financial Management Internship programme and has employed a number of interns undergoing training in various divisions of the Financial Services Department.

1. Budget and Treasury Office
   The Budget and Treasury Office has been established in accordance with the MFMA.

2. Audit Committee
   An Audit Committee has been established and is fully functional.

3. Service Delivery and Implementation Plan
   The detail SDBIP document is at a draft stage and will be finalised after approval of the 2017/18 MTREF in May 2018 directly aligned and informed by the 2017/18 MTREF.

4. Annual Report
   Annual report is compiled in terms of the MFMA and National Treasury requirements.

5. MFMA Training
   The MFMA training module in electronic format is presented and training is ongoing.

6. Policies
   An amendment of the Municipal Property Rates Regulations as published in Government Notice 363 of 27 March 2009, was announced in Government Gazette 33016 on 12 March

2.14 OTHER Supporting documents

Table 40 MBRR Table SA1 – Supporting detail to budgeted financial performance

Description R thousand	Ref	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
REVENUE ITEMS:									
Property rates	6								
Total Property Rates		210,988	233,889	261,513	261,513	261,513	278,250	296,058	315,006
less Revenue Foregone (exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		45,918	41,111	41,111	41,111	41,111	43,742	46,541	49,520
Net Property Rates		165,070	192,778	220,403	220,403	220,403	234,508	249,517	265,486
		()							
Service charges - electricity revenue	6								
Total Service charges - electricity revenue		510,127	593,217	635,044	635,044	635,044	678,481	721,904	768,105
less Revenue Foregone (in excess of 50 kwh per indigent household per month)		9,000	5,838						
less Cost of Free Basis Services (50 kwh per indigent household per month)		636	6,474	6,474	6,474	6,474	6,916	7,359	7,359
Net Service charges - electricity revenue		500,491	580,906	628,570	628,570	628,570	671,564	714,544	760,746
Service charges - water revenue	6	54,963							
Total Service charges - water revenue		226,539	291,061	291,061	291,061	291,061	326,570	347,470	369,708

less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)		()							
less Cost of Free Basis Services (6 kilolitres per indigent household per month)		4,658	4,658	4,658	4,658	4,658	5,226	5,561	5,916
Net Service charges - water revenue		221,882	286,403	286,403	286,403	286,403	321,344	341,910	363,792
Service charges - sanitation revenue									
Total Service charges - sanitation revenue		45,810	50,606	52,606	52,606	52,606	55,973	59,556	63,367
less Revenue Foregone (in excess of free sanitation service to indigent households)									
less Cost of Free Basis Services (free sanitation service to indigent households)		–			–	–	–	–	–
Net Service charges - sanitation revenue		45,810	50,606	52,606	52,606	52,606	55,973	59,556	63,367
Service charges - refuse revenue	6								
Total refuse removal revenue		53,122	66,683	72,683	72,683	72,683	77,335	82,284	87,550
Total landfill revenue		–							
less Revenue Foregone (in excess of one removal a week to indigent households)		(0)							
less Cost of Free Basis Services (removed once a week to indigent households)		–	14,743	14,743	14,743	14,743	15,686	16,690	17,758
Net Service charges - refuse revenue		53,122	51,940	57,940	57,940	57,940	61,648	65,594	69,792
Other Revenue by source									
Advertising		578	–	–	–	–	674	718	763
Grave and burial fees		1,485	1,574	1,574	1,574	1,574			
Building Plan Fees		2,500	2,650	2,650	2,650	2,650			
Photocopying		209	142	142	142	142			
Other Farming Income		150	159	159	159	159			
Sale of bins		1,152	1,221	1,221	1,221	1,221			
Tender documents		668	708	708	708	708			
Clearance Certificates		4,549	4,822	4,822	4,822	4,822			
Commissions		4,591	4,867	4,867	4,867	4,867			
Sale of stands		600	6,549	6,549	6,549	6,549			

Search Fees		1,000	5,016	5,016	5,016	5,016			
Other Revenue	3	1,254	8,134	553	553	553	30,832	32,805	34,904
Total 'Other' Revenue	1	18,737	35,842	28,262	28,262	28,262	31,506	33,523	35,668
EXPENDITURE ITEMS:									
Employee related costs									
Basic Salaries and Wages	2	249,838	338,500	340,940	340,940	340,940	313,123	333,162	354,485
Pension and UIF Contributions		49,048	52,520	54,020	54,020	54,020	61,472	65,406	69,592
Medical Aid Contributions		38,098	32,447	32,448	32,448	32,448	47,748	50,804	54,055
Overtime		10,675	10,751	10,751	10,751	10,751	13,379	14,236	15,147
Performance Bonus		6,934	8,250	8,250	8,250	8,250	8,691	9,247	9,839
Motor Vehicle Allowance		20,169	12,809	12,809	12,809	12,809	25,277	26,895	28,616
Cellphone Allowance		2,223	2,276	2,292	2,292	2,292	2,786	2,964	3,154
Housing Allowances		19,105	4,748	4,748	4,748	4,748	23,945	25,477	27,108
Other benefits and allowances		3,564	5,294	5,294	5,294	5,294	4,467	4,753	5,057
Payments in lieu of leave		3,002	3,213	3,213	3,213	3,213	3,763	4,004	4,260
Long service awards		17,908	19,438	19,509	19,509	19,509	22,445	23,881	25,409
Post-retirement benefit obligations	4		–						
sub-total	5	420,564	490,246	494,273	494,273	494,273	527,095	560,829	596,722
Less: Employees costs capitalised to PPE									
Total Employee related costs	1	420,564	490,246	494,273	494,273	494,273	527,095	560,829	596,722
Contributions recognised - capital									
List contributions by contract									
Total Contributions recognised - capital					–	–	–	–	–
Depreciation & asset impairment									
Depreciation of Property, Plant & Equipment		148,486	137,669	172,624	172,624	172,624	178,508	189,932	202,088
Lease amortisation		688	3,955						
Capital asset impairment		62,297	31,000						
Depreciation resulting from revaluation of PPE	10	15,391							

Total Depreciation & asset impairment	1	196,080	172,624	172,624	172,624	172,624	178,508	189,932	202,088
Bulk purchases									
Electricity Bulk Purchases		383,913	417,563	446,115	446,115	446,115	482,555	513,439	546,299
Water Bulk Purchases		173,109	195,682	195,682	195,682	195,682	211,666	225,213	239,627
Total bulk purchases	1	557,022	613,245	641,797	641,797	641,797	694,221	738,652	785,925
Transfers and grants									
Cash transfers and grants		1,500	1,590	1,590	1,590	1,590	1,590	1,692	1,800
Non-cash transfers and grants		–	–	–	–	–	–	–	–
Total transfers and grants	1	1,500	1,590	1,590	1,590	1,590	1,590	1,692	1,800
Contracted services									
Cash in transit		–	–						
Credit control cost		7,365	4,665	3,965	3,965	3,965	4,219	4,489	4,776
IT support contract		–	3,636	3,090	3,090	3,090	5,888	6,265	6,666
Prepaid vending cost		14,350	14,123	14,123	14,123	14,123	15,026	15,988	17,011
Private contractor		1,441	1,716	1,716	1,716	1,716	1,826	1,943	2,067
Security services		18,260	18,427	18,427	18,427	18,427	19,606	20,861	22,196
Westoaria sewerage disposal		–	–						
sub-total	1	41,417	42,567	41,322	41,322	41,322	46,566	49,546	52,717
Allocations to organs of state:									
Electricity									
Water									
Sanitation									
Other									
Total contracted services		41,417	42,567	41,322	41,322	41,322	46,566	49,546	52,717
Other Expenditure By Type									

Collection costs		3,625	3,843	3,843	3,843	3,843	100	106	113
Contributions to 'other' provisions		–							
Consultant fees		7,960	3,053	13,291	13,291	13,291	10,201	10,854	11,549
Audit fees		10,554	11,187	8,250	8,250	8,250	8,778	9,340	9,938
General expenses	3	20,948	16,774	5,974	5,974	5,974	26,970	28,696	30,532
Contributions		–	3,180	2,180	2,180	2,180	2,180	2,180	2,180
Advertisement		500	1,060	560	560	560	1,000	1,064	1,132
Audit Committee Costs		600	535	455	455	455	500	532	566
Bank Charges		4,773	4,000	4,000	4,000	4,000	4,255	4,528	4,818
Consumables		792	774	735	735	735	714	760	809
Cleaning Materials		454	462	1,034	1,034	1,034	1,134	1,206	1,284
Conferences and Seminars		400	466	462	462	462	70	74	79
Events		3,360	4,765	3,022	3,022	3,022	1,550	1,649	1,755
Fuel and Oil		10,532	5,345	5,422	5,422	5,422	9,717	10,338	11,000
Free Basic Services		10,668	9,310	9,310	9,310	9,310	9,310	9,906	10,540
Insurance		4,838	4,452	4,452	4,452	4,452	4,737	5,040	5,363
Leases		15,959	4,337	5,037	5,037	5,037	5,200	5,533	5,887
Professional Services - Legal		2,000	3,053	18,830	18,830	18,830	2,660	2,830	3,011
Marketing		1,000	500	300	300	300	500	532	566
Mayoral Busary		3,000	3,180	3,180	3,180	3,180	1,000	1,064	1,132
Postage and Courier		1,378	1,465	1,007	1,007	1,007	1,007	1,072	1,141
Printing and Stationery		2,269	1,379	1,351	1,351	1,351	1,195	1,271	1,353
Protective Clothing		3,621	3,838	2,973	2,973	2,973	3,376	3,592	3,822
Refreshments		102	91	43	43	43	–		
Telephone		2,500	3,000	3,000	3,000	3,000	3,192	3,396	3,614
Training		2,117	6,584	4,445	4,445	4,445	3,076	3,273	3,483
Travelling and subsistence		140	222	138	138	138	5	5	6
Total 'Other' Expenditure	1	114,091	96,854	103,293	103,293	103,293	102,428	108,844	115,670
Repairs and Maintenance by Expenditure Item	8								
Employee related costs									
Other materials		30,612	41,767				101,602	102,290	102,955
Contracted Services		41,417	31,800						
Other Expenditure									
Total Repairs and Maintenance Expenditure	9	72,029	73,567	–	–	–	101,602	102,290	102,955

Table 41 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

Description R thousand	Ref 1	Vote 1 - Municipal Management Office	Vote 2 - Infrastructure Services	Vote 3 - COMMUNITY SERVICES	Vote 4 - ECONOMIC DEVELOPMENT AND PLANNING	Vote 5 - GOVERNANCE & TRANSFORMATION SUPPORT SERVICES	Vote 6 - FINANCIAL MANAGEMENT SERVICES	Vote 7 - CORPORATE SUPPORT SERVICES	Vote 8 - CHIEF INFORMATION OFFICER	Vote 9 - INTERNAL AUDITING	Vote 10 - POLITICAL OFFICE & IGR	Vote 11 - [NAME OF VOTE 11]	Vote 12 - [NAME OF VOTE 12]	Vote 13 - [NAME OF VOTE 13]	Vote 14 - [NAME OF VOTE 14]	Vote 15 - [NAME OF VOTE 15]	Total
Revenue By Source																	
Property rates							234,508										234,508
Service charges - electricity revenue			671,564														671,564
Service charges - water revenue			321,344														321,344
Service charges - sanitation revenue			55,973														55,973
Service charges - refuse revenue				61,648													61,648
Service charges - other			1,821	1,313													3,135
Rental of facilities and equipment			278	709	1,854												2,841
Interest earned - external investments							3,398										3,398
Interest earned - outstanding debtors							26,077										26,077
Dividends received							53										53
Fines, penalties and forfeits			3,869	14,699			31										18,599
Licences and permits				91													91
Agency services				30,181													30,181
Other revenue				4,163	10,341		16,215	8			779						31,506

Transfers and subsidies			130,954	41,634	2,635		105,912	1,649			24,685						307,469
Gains on disposal of PPE																	–
Total Revenue (excluding capital transfers and contributions)		–	1,185,804	154,438	14,829	–	386,196	1,657	–	–	25,465	–	–	–	–	–	1,768,388
Expenditure By Type																	
Employee related costs		5,162	114,398	180,013	21,671	13,313	77,085	62,728	10,864	3,531	38,330						527,095
Remuneration of councillors											28,207						28,207
Debt impairment			38,133	6,146			35,393										79,672
Depreciation & asset impairment		32	155,113	14,929	527		731	7,006	102	2	66						178,508
Finance charges			0	0			8,431	0									8,431
Bulk purchases			694,221														694,221
Other materials			69,404	28,676	423		11	2,774	314								101,602
Contracted services			21,072	19,606					5,888								46,566
Transfers and subsidies				1,590													1,590
Other expenditure		2,264	10,803	13,212	6,774	3,868	27,774	15,819	13,878	515	7,521						102,428
Loss on disposal of PPE																	–
Total Expenditure		7,458	1,103,144	264,172	29,395	17,181	149,424	88,327	31,046	4,048	74,124	–	–	–	–	–	1,768,318
Surplus/(Deficit)		(7,458)	82,660	(109,734)	(14,566)	(17,181)	236,772	(86,669)	(31,046)	(4,048)	(48,659)	–	–	–	–	–	70
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			305,594														305,594

Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)																	–
Transfers and subsidies - capital (in-kind - all)																	–
Surplus/(Deficit) after capital transfers & contributions		(7,458)	388,254	(109,734)	(14,566)	(17,181)	236,772	(86,669)	(31,046)	(4,048)	(48,659)	–	–	–	–	–	305,665

Table 42 MBRR Table SA3 – Supporting detail to statement of Financial position

Description	Ref	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
ASSETS									
Call investment deposits									
Call deposits									
Other current investments									
Total Call investment deposits	2	–	–	–	–	–	–	–	–
Consumer debtors									
Consumer debtors		583,536	609,151	609,151	609,151	749,151	797,097	848,111	902,390
Less: Provision for debt impairment		(371,623)	(349,802)	(386,257)	(386,257)	(435,287)	(514,959)	(547,916)	(582,983)
Total Consumer debtors	2	211,914	259,349	222,894	222,894	313,864	282,138	300,194	319,407
Debt impairment provision									
Balance at the beginning of the year		325,868	322,593	322,593	322,593	371,623	435,287	463,146	492,787
Contributions to the provision		45,755	27,209	63,664	63,664	63,664	79,672	84,771	90,196
Bad debts written off									
Balance at end of year		371,623	349,802	386,257	386,257	435,287	514,959	547,916	582,983
Property, plant and equipment (PPE)									
PPE at cost/valuation (excl. finance leases)		7,049,569	7,213,652	7,499,049	7,499,049	7,499,049	7,978,988	8,489,643	9,032,980
Leases recognised as PPE	3			–	–	–	–	–	–
Less: Accumulated depreciation		3,512,424	3,553,090	3,553,090	3,553,090	3,553,090	3,780,488	4,022,439	4,279,876
Total Property, plant and equipment (PPE)	2	3,537,145	3,660,562	3,945,958	3,945,958	3,945,958	4,198,500	4,467,204	4,753,105
LIABILITIES									
Current liabilities - Borrowing									
Short term loans (other than bank overdraft)									
Current portion of long-term liabilities		14,028	12,204	1,893	1,429	2,338			–
Total Current liabilities - Borrowing		14,028	12,204	1,893	1,429	2,338	–	–	–
Trade and other payables									

Trade and other creditors		546,994	526,293	521,560	521,810	438,823	401,388	377,076	351,209
Unspent conditional transfers		45,885					–	–	–
VAT		69,646	92,294	92,294	92,294	92,294	98,201	104,486	111,173
Total Trade and other payables	2	662,525	618,587	613,855	614,105	531,117	499,589	481,563	462,383
Non current liabilities - Borrowing									
Borrowing	4	1,429							
Finance leases (including PPP asset element)		909							
Total Non current liabilities - Borrowing		2,338	–	–	–	–	–	–	–
Provisions - non-current									
Retirement benefits		334,745	62,085	62,085	62,085	356,169	378,963	403,217	429,023
List other major provision items									
Refuse landfill site rehabilitation									
Other									
Total Provisions - non-current		334,745	62,085	62,085	62,085	356,169	378,963	403,217	429,023
CHANGES IN NET ASSETS									
Accumulated Surplus/(Deficit)									
Accumulated Surplus/(Deficit) - opening balance		3,060,972	3,585,703	3,675,619	3,676,084	3,313,073	3,686,631	3,998,240	4,260,593
GRAP adjustments									
Restated balance		3,060,972	3,585,703	3,675,619	3,676,084	3,313,073	3,686,631	3,998,240	4,260,593
Surplus/(Deficit)		28,500	162,435	261,570	261,570	261,571	305,665	249,670	259,289
Accumulated Surplus/(Deficit)	1	3,089,472	3,748,138	3,937,189	3,937,654	3,574,644	3,992,295	4,247,909	4,519,882
Reserves	-								
Revaluation		1,671	1,671	1,671	1,671	1,671	1,671	1,671	1,671
Total Reserves	2	1,671	1,671	1,671	1,671	1,671	1,671	1,671	1,671
TOTAL COMMUNITY WEALTH/EQUITY	2	3,091,143	3,749,809	3,938,860	3,939,325	3,576,315	3,993,966	4,249,580	4,521,553

Table 43 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

GT485 Rand West City - Supporting Table SA9
Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2014/15	2015/16	2016/17	Current Year 2017/18	2018/19 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population					261,053	264 065	267 251	265,900	270,846	275,884	275,884	275,884
Females aged 5 - 14					19,803	20,171	20,547	20,172	20,547	20,929	20,929	20,929
Males aged 5 - 14					19,430	19,791	20,160	19,792	20,160	20,535	20,535	20,535
Females aged 15 - 34					47,137	48,014	48,907	48,014	48,907	49,817	49,817	49,817
Males aged 15 - 34					53,288	54,279	55,289	54,280	55,289	56,318	56,318	56,318
Unemployment					73,428	74,794	76,185	74,794	76,185	77,602	77,602	77,602
Monthly household income (no. of households)	1, 12	- -										
No income					41,386	43,439	43,963	42,156	42,932	43,739	43,739	43,739
R1 - R1 600					5,816	6,140	6,214	5,924	6,034	6,147	6,147	6,147
R1 601 - R3 200					5,816	6,140	5,458	5,924	6,034	6,147	6,147	6,147
R3 201 - R6 400					16,630	17,296	13,505	16,939	17,254	17,567	17,567	17,567
R6 401 - R12 800					35,134	34,857	35,277	35,788	36,453	37,132	37,132	37,132
R12 801 - R25 600					44,903	45,155	45,700	45,738	46,589	47,455	47,455	47,455
R25 601 - R51 200					45,716	47,136	50,778	46,567	47,433	48,315	48,315	48,315
R52 201 - R102 400					28,421	28,123	27,738	28,950	29,488	30,037	30,037	30,037
R102 401 - R204 800					21,710	20,993	23,652	22,114	22,526	22,945	22,945	22,945
R204 801 - R409 600					11,490	11,038	11,091	11,704	11,922	12,143	12,143	12,143
R409 601 - R819 200					2,947	2,773	2,806	2,994	3,058	3,115	3,115	3,115

> R819 200					1,082	977	1,069	1,102	1,122	1,143	1,143	1,143
Poverty profiles (no. of households)												
< R2 060 per household per month	13				43,452	44 276	47 167	47 167	48,044.0	48,937	48,937	48,937
Insert description	2											
Household/demographics (000)												
Number of people in municipal area					261,053	264 065	267 251	265,900	270,846	275,884	275,884	275,884
Number of poor people in municipal area												
Number of households in municipal area					43,452	44 276	47 167	47 167	48,044	48,938	48,938	48,938
Number of poor households in municipal area												
Definition of poor household (R per month)												
Housing statistics	3											
Formal					154,021	155,798	157,678	156,881	159,799	162,772	162,772	162,772
Informal					107,032	108,267	109,573	109,019	111,047	113,112	113,112	113,112
Total number of households			-	-	261,053	264,065	267,251	265,900	270,846	275,884	275,884	275,884
Dwellings provided by municipality	4											
Dwellings provided by province/s												
Dwellings provided by private sector	5											
Total new housing dwellings			-	-	-	-	-	-	-	-	-	-
Economic	6											
Inflation/inflation outlook (CPIX)												
Interest rate - borrowing												
Interest rate - investment			-	-	-							
Remuneration increases												
Consumption growth (electricity)												
Consumption growth (water)												
Collection rates	7											
Property tax/service charges												
Rental of facilities & equipment												

Interest - external investments												
Interest - debtors												
Revenue from agency services												

Detail on the provision of municipal services for A10

Total municipal services	Ref.		2014/15 Outcome	2015/16 Outcome	2016/17 Outcome	Current Year 2017/18 Original Budget	Current Year 2017/18 Adjusted Budget	Current Year 2017/18 Full Year Forecast	2018/19 Medium Term Revenue & Expenditure Framework Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	–	–	41,108	41,108	41,108	41,108	41,108	41,108	41,108
		Piped water inside yard (but not in dwelling)	–	–	9,127	9,127	9,127	9,127	9,127	9,127	9,127
	8	Using public tap (at least min.service level)	–	–	16,883	16,883	16,883	16,883	16,883	16,883	16,883
	10	Other water supply (at least min.service level)	–	–	35,670	35,670	35,670	35,670	35,670	35,670	35,670
		Minimum Service Level and Above sub-total	–	–	102,788	102,788	102,788	102,788	102,788	102,788	102,788
	9	Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (< min.service level)	–	–	97	97	97	97	97	97	97
		No water supply	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	97	97	97	97	97	97	97
		Total number of households	–	–	102,885	102,885	102,885	102,885	102,885	102,885	102,885
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	–	–	24,930	24,930	24,930	24,930	24,930	24,930	24,930
		Flush toilet (with septic tank)	–	–	735	735	735	735	735	735	735
		Chemical toilet	–	–	601	601	601	601	601	601	601
		Pit toilet (ventilated)	–	–	1,000	1,000	1,000	1,000	1,000	1,000	1,000
		Other toilet provisions (> min.service level)	–	–	100	100	100	100	100	100	100
		Minimum Service Level and Above sub-total	–	–	27,366	27,366	27,366	27,366	27,366	27,366	27,366
		Bucket toilet	–	–	–	–	–	–	–	–	–
		Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
		No toilet provisions	–	–	550	550	550	550	550	550	550
		Below Minimum Service Level sub-total	–	–	550	550	550	550	550	550	550

		Total number of households	–	–	27,916	27,916	27,916	27,916	27,916	27,916	27,916
		Energy:									
		Electricity (at least min.service level)	–	–	40,720	40,720	40,720	40,720	40,720	40,720	40,720
		Electricity - prepaid (min.service level)	–	–	5,720	5,720	5,720	5,720	5,720	5,720	5,720
		Minimum Service Level and Above sub-total	–	–	46,440	46,440	46,440	46,440	46,440	46,440	46,440
		Electricity (< min.service level)	–	–	15,000	15,000	15,000	15,000	15,000	15,000	15,000
		Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–
		Other energy sources	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	15,000	15,000	15,000	15,000	15,000	15,000	15,000
		Total number of households	–	–	61,440	61,440	61,440	61,440	61,440	61,440	61,440
		Refuse:									
		Removed at least once a week	–	–	41,235	41,235	41,235	41,235	41,235	41,235	41,235
		Minimum Service Level and Above sub-total	–	–	41,235	41,235	41,235	41,235	41,235	41,235	41,235
		Removed less frequently than once a week	–	–	547	547	547	547	547	547	547
		Using communal refuse dump	–	–	2,865	2,865	2,865	2,865	2,865	2,865	2,865
		Using own refuse dump	–	–	11,523	11,523	11,523	11,523	11,523	11,523	11,523
		Other rubbish disposal	–	–	720	720	720	720	720	720	720
		No rubbish disposal	–	–	124	124	124	124	124	124	124
		Below Minimum Service Level sub-total	–	–	15,779	15,779	15,779	15,779	15,779	15,779	15,779
		Total number of households	–	–	57,014	57,014	57,014	57,014	57,014	57,014	57,014

Municipal in-house services	Ref.		2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
		Household service targets (000)									
		Water:									
		Piped water inside dwelling			41,108	41,108	41,108	41,108	41,108	41,108	41,108
		Piped water inside yard (but not in dwelling)			9,127	9,127	9,127	9,127	9,127	9,127	9,127

8	Using public tap (at least min.service level)			16,883	16,883	16,883	16,883	16,883	16,883	16,883
10	Other water supply (at least min.service level)			35,670	35,670	35,670	35,670	35,670	35,670	35,670
	Minimum Service Level and Above sub-total	–	–	102,788	102,788	102,788	102,788	102,788	102,788	102,788
9	Using public tap (< min.service level)									
10	Other water supply (< min.service level)			97	97	97	97	97	97	97
	No water supply									
	Below Minimum Service Level sub-total	–	–	97	97	97	97	97	97	97
	Total number of households	–	–	102,885	102,885	102,885	102,885	102,885	102,885	102,885
	Sanitation/sewerage:									
	Flush toilet (connected to sewerage)			24,930	24,930	24,930	24,930	24,930	24,930	24,930
	Flush toilet (with septic tank)			735	735	735	735	735	735	735
	Chemical toilet			601	601	601	601	601	601	601
	Pit toilet (ventilated)			1,000	1,000	1,000	1,000	1,000	1,000	1,000
	Other toilet provisions (> min.service level)			100	100	100	100	100	100	100
	Minimum Service Level and Above sub-total	–	–	27,366	27,366	27,366	27,366	27,366	27,366	27,366
	Bucket toilet									
	Other toilet provisions (< min.service level)									
	No toilet provisions			550	550	550	550	550	550	550
	Below Minimum Service Level sub-total	–	–	550	550	550	550	550	550	550
	Total number of households	–	–	27,916	27,916	27,916	27,916	27,916	27,916	27,916
	Energy:									
	Electricity (at least min.service level)			40,720	40,720	40,720	40,720	40,720	40,720	40,720
	Electricity - prepaid (min.service level)			5,720	5,720	5,720	5,720	5,720	5,720	5,720
	Minimum Service Level and Above sub-total	–	–	46,440	46,440	46,440	46,440	46,440	46,440	46,440
	Electricity (< min.service level)			15,000	15,000	15,000	15,000	15,000	15,000	15,000
	Electricity - prepaid (< min. service level)									
	Other energy sources									
	Below Minimum Service Level sub-total	–	–	15,000	15,000	15,000	15,000	15,000	15,000	15,000
	Total number of households	–	–	61,440	61,440	61,440	61,440	61,440	61,440	61,440
	Refuse:									

		Removed at least once a week			41,235	41,235	41,235	41,235	41,235	41,235	41,235
		Minimum Service Level and Above sub-total	–	–	41,235	41,235	41,235	41,235	41,235	41,235	41,235
		Removed less frequently than once a week			547	547	547	547	547	547	547
		Using communal refuse dump			2,865	2,865	2,865	2,865	2,865	2,865	2,865
		Using own refuse dump			11,523	11,523	11,523	11,523	11,523	11,523	11,523
		Other rubbish disposal			720	720	720	720	720	720	720
		No rubbish disposal			124	124	124	124	124	124	124
		Below Minimum Service Level sub-total	–	–	15,779	15,779	15,779	15,779	15,779	15,779	15,779
		Total number of households	–	–	57,014	57,014	57,014	57,014	57,014	57,014	57,014

Municipal entity services	Ref.		2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
		Household service targets (000)									
Name of municipal entity											
		Water:									
		Piped water inside dwelling									
		Piped water inside yard (but not in dwelling)									
	810	Using public tap (at least min.service level)									
		Other water supply (at least min.service level)									
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
	910	Using public tap (< min.service level)									
		Other water supply (< min.service level)									
		No water supply									
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Name of municipal entity											
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)									
		Flush toilet (with septic tank)									
		Chemical toilet									
		Pit toilet (ventilated)									
		Other toilet provisions (> min.service level)									

		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Bucket toilet									
		Other toilet provisions (< min.service level)									
		No toilet provisions									
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Name of municipal entity											
		Energy:									
		Electricity (at least min.service level)									
		Electricity - prepaid (min.service level)									
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Electricity (< min.service level)									
		Electricity - prepaid (< min. service level)									
		Other energy sources									
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Name of municipal entity											
		Refuse:									
		Removed at least once a week									
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Removed less frequently than once a week									
		Using communal refuse dump									
		Using own refuse dump									
		Other rubbish disposal									
		No rubbish disposal									
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–

Services provided by 'external mechanisms'	Ref.		2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Names of service providers		Household service targets (000)									
		Water:									
		Piped water inside dwelling									
		Piped water inside yard (but not in dwelling)									
	8	Using public tap (at least min.service level)									

	10	Other water supply (at least min.service level)									
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
	9	Using public tap (< min.service level)									
	10	Other water supply (< min.service level)									
		No water supply									
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Names of service providers		*Sanitation/sewerage:*									
		Flush toilet (connected to sewerage)									
		Flush toilet (with septic tank)									
		Chemical toilet									
		Pit toilet (ventilated)									
		Other toilet provisions (> min.service level)									
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Bucket toilet									
		Other toilet provisions (< min.service level)									
		No toilet provisions									
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Names of service providers		*Energy:*									
		Electricity (at least min.service level)									
		Electricity - prepaid (min.service level)									
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Electricity (< min.service level)									
		Electricity - prepaid (< min. service level)									
		Other energy sources									
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Names of service providers		*Refuse:*									
		Removed at least once a week									
		Minimum Service Level and Above sub-total	–	–	–	–	–	–	–	–	–
		Removed less frequently than once a week									
		Using communal refuse dump									
		Using own refuse dump									

		Other rubbish disposal									
		No rubbish disposal									
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	–	–	–	–	–	–	–	–	–
Detail of Free Basic Services (FBS) provided			2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Electricity	Ref.	*Location of households for each type of FBS*									
List type of FBS service		Formal settlements - (50 kwh per indigent household per month Rands)			636000	6,473,585	6,473,585	6,473,585	6,916,378	7,359,026	7,830,004
		Number of HH receiving this type of FBS									
		Informal settlements (Rands)									
		Number of HH receiving this type of FBS									
		Informal settlements targeted for upgrading (Rands)									
		Number of HH receiving this type of FBS									
		Living in informal backyard rental agreement (Rands)									
		Number of HH receiving this type of FBS									
		Other (Rands)									
		Number of HH receiving this type of FBS									
		Total cost of FBS - Electricity for informal settlements	–	–	–	–	–	–	–	–	–
Water	Ref.	*Location of households for each type of FBS*									
List type of FBS service		Formal settlements - (6 kilolitre per indigent household per month Rands)			4,657,853	4,657,853	4,657,853	4,657,853	5,226,111	5,560,582	5,916,459
		Number of HH receiving this type of FBS									
		Informal settlements (Rands)									
		Number of HH receiving this type of FBS									
		Informal settlements targeted for upgrading (Rands)									
		Number of HH receiving this type of FBS									
		Living in informal backyard rental agreement (Rands)									

		Number of HH receiving this type of FBS									
		Other (Rands)									
		Number of HH receiving this type of FBS									
		Total cost of FBS - Water for informal settlements	–	–	–	–	–	–	–	–	–
Sanitation	Ref.	*Location of households for each type of FBS*									
List type of FBS service		Formal settlements - (free sanitation service to indigent households)									
		Number of HH receiving this type of FBS									
		Informal settlements (Rands)									
		Number of HH receiving this type of FBS									
		Informal settlements targeted for upgrading (Rands)									
		Number of HH receiving this type of FBS									
		Living in informal backyard rental agreement (Rands)									
		Number of HH receiving this type of FBS									
		Other (Rands)									
		Number of HH receiving this type of FBS									
		Total cost of FBS - Sanitation for informal settlements	–	–	–	–	–	–	–	–	–
Refuse Removal	Ref.	*Location of households for each type of FBS*									
List type of FBS service		Formal settlements - (removed once a week to indigent households)				14,742,844	14,742,844	14,742,844	15,686,386	16,690,315	17,758,495
		Number of HH receiving this type of FBS									
		Informal settlements (Rands)									
		Number of HH receiving this type of FBS									
		Informal settlements targeted for upgrading (Rands)									
		Number of HH receiving this type of FBS									
		Living in informal backyard rental agreement (Rands)									
		Number of HH receiving this type of FBS									
		Other (Rands)									
		Number of HH receiving this type of FBS									
		Total cost of FBS - Refuse Removal for informal settlements	–	–	–	–	–	–	–	–	–

Table 43: Province: Municipality (GT 485) – Schedule of Service Delivery Standard Table

Description Standard	Service Level
Solid Waste Removal	
Premise based removal (Residential Frequency)	Weekly
Premise based removal (Business Frequency)	Weekly
Bulk Removal (Frequency)	Weekly
Removal Bags provided (Yes/No)	Yes (in areas without bins)
Garden refuse removal Included (Yes/No)	Yes (as part of domestic waste)
Street cleaning Frequency in CBD	Daily
How soon are public areas cleaned after events (24 hours/48 hours/ longer	24 Hours
Clearing of illegal dumping (24 hours/48 hours/ longer)	Longer
Recycling environmentally friendly practices (Yes/No)	Yes (recycling)
Licenced landfill site (Yes/No)	Yes, operating with temporary permit
Water services	
Water quality rating (Blue/Green/Brown/No drop)	Blue drop 97%, Greendrop 68%
Is free water available to all? (All/only to the indigent consumers)	Only indigent consumers
Frequency of meter reading? (per month, per year)	Monthly
Are estimated consumption calculated on actual consumption over (two months/three months/longer period)	Three months
On average for how long does the Municipality use estimates before reverting back to actual readings? (months)	Three months
Duration (hours) before availability of water is restored in cases of services interruption (complete the sub questions	
One service connection affected (number of hours)	3 – 6 hours
Up to 5 service connection affected (number of hours)	6 – 9 hours
Up to 20 service connection affected (number of hours)	6 – 9 hours
Feeder pipe larger than 800mm (number of hours)	6 – 9 hours
What is the average minimum water flow in your Municipality?	25 MEGA LITERS PER DAY
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	No
How long does it take to replace faulty water meters/ (days)	ONE DAY
Do you have a cathodic protection system in lace that is operational at this stage? (Yes/No)	No
Electricity Services	
What is your electricity availability percentage on average per month?	100%
Do your Municipality have a ripple control in place that is operational? (Yes/No)	No
How much do you estimate is the cost saving in utilizing the ripple control system?	N/A
What is the frequency of meters being read? (per month, per year)	MONTHLY
Are estimated consumption calculated at consumption over (two months/ three months/ longer period)	TWO MONTHS
On average for how long does the Municipality use estimates before reverting back to actual reading? (months)	± 3 MONTHS
Duration before availability of electricity is restored in cases of breakages (immediately/ one day/ tow days/ longer)	IMMEDIATELY
Are accounts normally calculated on actual readings? (Yes/No)	YES
Do you practice any environmental or scarce resource protection activities as part of the operations? (Yes/No)	YES
How long does it take to replace faulty meters? (days)	24HRS
Do you have a plan to prevent illegal connection and prevention of electricity theft? (Yes/No)	YES

How effective is the action plan is curbing line losses? (Good/Bad)	AVERAGE
How soon does the Municipality provide a quotation to a customer upon a written request? (days	7 DAYS
How long does the Municipality takes to provide electricity service where existing infrastructure can be used? (working days)	14 WORKING DAYS
How long does the Municipality takes to provide electricity service for low voltage users where network extension is not required?	7 WORKING DAYS
How long does the Municipality takes to provide electricity service for high voltage users where network extension is not required?	14 WORKING DAYS
Sewerage Services	
Are your purification system effective enough to put water back into the system after purification?	Yes
To what extend do you subsidize you indigent consumers?	6kl
How long does it take to restore sewerage breakages on average	
Severe overflow? (hours)	3 – 6 hours
Sewer blocked pipes: Large pipes? (hours)	3 – 6 hours
Sewer blocked pipes: Small pipes? (hours)	2 hours
Spillage clean-up? (hours)	4 – 8 hours dep on size
Replacement of manhole covers? (hours)	1 hour
Road infrastructure Services	
Time taken to repair a single pothole on a major road? (Hours)	Depending on the size of a pothole, can take ±2 hours
Time taken to repair a single pothole on a minor road? (hours)	Depending on the size of the pothole, can take ±1 hour
Time taken to repair a road following an open trench service crossing? (hours)	Depending on the size and he busy and safety of the road, ± 4 hours
Time taken to repair walkways? (hours)	Depending on the length and extend of the damaged, ±60 min per m^2
Property valuations	
How long does it take on average from completion to the first account being issued? (one month/three months or longer	(Municipal Manager) 5 months before implementation
Do you have any special rating properties? (Yes/No)	Yes (e.g Public Worship, Libraries etc)
Financial Management	
Is there any changes in the situation of unauthorised and wasteful expenditure over time? (Decrease/Increase)	Decrease
Are there financial statement outsources? (Yes/No)	No
Are there Council adopted business process the flow and management of documentation feeding to Trial Balances?	Yes
How long does it take for a Tax/Invoice to be paid from the date it has been received	± 30 days
Is thre advance planning from SCM unit linking all departmental plans quarterly and annually including for the next two to three years procurement plans?	Ye
Administration	
Reaction time on enquiries and request	± 10 WORKING DAYS
Time to respond to a verbal customer enquiry or request? (working days)	± 5 WORKING DAYS
Time to respond to a written customer enquiry or request? (working days)	± 10 WORKING DAYS
Time t resolve a customer enquiry or request? (working days)	±10 WORKING DAYS
How long does it take to respond to voice mails> (Yes/No)	N/A
Does the Municipality have control over locked enquiries? (Yes/No)	N/A
Is there a reduction in the number of complaints or not? (Yes/No)	No
How long does it take to open an account to a new customer? (1 day/ 2 days/ a week or longer)	1 DAY

How many times does SCM Unit, CFO's Unit and Technical unit sit to review delays other than normal monthly management meetings?	MONTHLY
Community safety and licencing services	
How long does it take to register a vehicle? (minutes)	20 MINUTES
How long does it take to renew a vehicle licence? (minutes)	10 MINUTES
How long does it take to issue a duplicate registration certificate vehicle? (minutes)	25 MINUTES
How long does it take to de-register a vehicle? (minutes)	30 MINUTES
What is the average reaction time of the fire service to an indent? (minutes)	30 MINUTES
What is the average reaction time of the fire service to an incident? (minutes)	N/A
What is the average reaction time of the ambulance service to an incident in the urban area? (minutes)	N/A
What is the average reaction time of the ambulance service to an incident tin the rural area?	N/A
Economic development	
How many economic development projects does the municipality drive?	ONE (1)
How many economic development programme are deemed to be catalytic in creating environment to unlock key economic growth projects?	Development of the LED Plan
What percentage of the projects have created sustainable job security?	LESS THAN 5%
Does the Municipality have any incentive plans in place to create an conducive environment for economic development? (Yes/No)	NO
Other Service delivery and communication	
Is an information package handed to the new customer? (Yes/No)	NO
Does the Municipality have training or information session to inform the community?	YES
Are customers treated in a professional and humanly manner? (Yes/No)	YES

2.15 Municipal Manger's quality certificate

I, T Goba, Municipal Manager of the Rand West City Local Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the Municipality

Print name: Themba Goba
Municipal Manager of Rand West City Local Municipality (GT 485)

Signature: _____

Date: _____